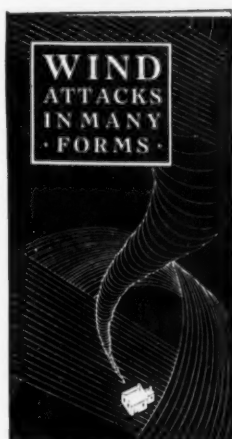


The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, MARCH 17, 1932



Write for a copy of the windstorm folder and ask about the advantages of a Camden agency.



When You Sell Windstorm Insurance

YOU NEED EFFECTIVE WINDSTORM ADVERTISING

Agents of the Camden Fire Insurance Association use dynamic advertising folders which *actually sell* windstorm coverage. The folders belong to the agent, representing *his* interests and carrying *his* signature. Camden supplies them in any necessary quantity, together with *selling* sales letters. Camden field men, in the meantime, are always ready for special problems.

YOU NEED A LIBERAL WINDSTORM POLICY

Camden agents sell the fact that any wind which damages is windstorm—and the policy backs them up. Settlements are unusually fair and

generous, and the Camden Fire Insurance Association sees to it that the relations between agents and their accounts are genial.

YOU MUST REPRESENT A STRONG COMPANY

Camden agents represent a ninety-one year old association which has never refused a legitimate claim. It is now interested in hearing from competent and enthusiastic insurance men who are interested, in turn, in representing a company which understands their problems and helps them. Write for a copy of the windstorm folder and ask about the advantages of a Camden agency.



CAMDEN FIRE INSURANCE ASSOCIATION

Camden, N. J.

At the time of the Galveston Hurricane of 1900 Camden was 59 years old

*Companies so widely and favorably known
are good companies to represent*



By keeping faith with policyholders, agents and brokers, by unswerving devotion to sound business principles, by wise, progressive management, the companies of the Fireman's Fund Group have earned the confidence of the insuring public and are known from coast to coast as financially strong companies —excellent companies to represent.

Fire • Automobile • Marine • Casualty • Fidelity • Surety

FIREMAN'S FUND GROUP

*Fireman's Fund Insurance Company
Home Fire & Marine Insurance Company
Occidental Insurance Company
Fireman's Fund Indemnity Company
Occidental Indemnity Company*

New York • Chicago • SAN FRANCISCO • Boston • Atlanta

What of the *Future?*

"WHAT are the prospects for the future?" This is a question which many business men are now asking themselves.

Insurance men seek the answer in the light shed by their usual guide, experience. Their business grew during the so-called prosperous years, although many assureds carried only indispensable protection. Seldom would the latter take the time to consider their insurance needs as a whole and carry adequate insurance.

Changed conditions, however, have brought a new attitude. Money does not come so easily, and it is guarded and spent more wisely. There has been a return to moderation. With it has come greater appreciation of insurance as the safeguard of property (which is valued in terms of money).

Hence buyers of insurance will be less inclined to gamble with fate and readier to entrust their many risks of loss from fire and other destructive forces to its protection.

Insurance men, then, may look for an increased volume as conditions improve and American wealth and resources make greater progress.

Well planned and well directed sales effort will still be necessary, even though the value of insurance protection is better appraised. But it will be more productive than ever before in the history of our business.

CORROON & REYNOLDS

Incorporated

INSURANCE UNDERWRITERS

Manager

92 William Street

New York, N. Y.

AMERICAN EQUITABLE ASSURANCE
COMPANY OF NEW YORK
Capital, \$1,000,000.00

GLOBE & REPUBLIC INSURANCE COMPANY
OF AMERICA

Philadelphia, Pa. Established 1862
Capital, \$1,000,000.00

IMPORTERS & EXPORTERS INSURANCE COMPANY
OF NEW YORK
Capital, \$1,000,000.00

KNICKERBOCKER INSURANCE COMPANY
OF NEW YORK
Capital, \$1,000,000.00

MERCHANTS & MANUFACTURERS FIRE
INSURANCE CO. Chartered 1849
Newark, N. J. Capital, \$1,000,000.00

NEW YORK FIRE INSURANCE COMPANY
Incorporated 1832 Capital \$1,000,000.00

YEAR IN AND YEAR OUT YOU'LL DO WELL WITH

HARTFORD ACCIDENT AND INDEMNITY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1931

ASSETS

A well-managed insurance company always has ample reserves in cash and securities to pay its liabilities. The Hartford Accident and Indemnity Company has:

BONDS.....	\$22,602,962.34
United States Government, State, County, Municipal, Railroad and the bonds of other corporations, all gilt edge and easily realized upon.	
STOCKS.....	9,125,172.50
Of banks, public utility companies and other corporations of high standing.	
REAL ESTATE, MORTGAGES, ETC.....	652,302.13
Real Estate owned by the Company and loans secured by first mortgages.	
CASH IN OFFICES AND BANKS.....	3,654,521.05
An asset that is immediately available.	
PREMIUMS IN COURSE OF COLLECTION.....	6,605,597.44
Money due from agents and policyholders on policies issued within the past ninety days.	
INTEREST ACCRUED.....	310,570.04
Interest earned on all bonds to date but not yet due to be paid.	
SUNDRY ASSETS.....	306,985.23
Various assets amply secured.	
Total Admitted Assets.....	<u>\$43,258,110.73</u>

LIABILITIES

To meet present obligations we are prepared to pay:

FOR THE SETTLEMENT OF CLAIMS AND SUITS.....	\$18,273,079.00
A liberal estimate is made of the amount that will be required to pay each individual claim as it is reported and this sum represents the total of these estimates.	
FOR UNEARNED PREMIUMS.....	12,662,003.28
This sum takes care of return premiums on policies terminated after this date and any future losses on policies in force.	
FOR COMMISSIONS.....	1,313,348.77
These commissions are due to agents on uncollected premiums when the premiums shall have been remitted to the Company.	
FOR TAXES.....	600,508.00
Payable in 1932 for State Tax on premiums, and any other taxes that may be due.	
FOR SUNDRY BILLS.....	22,149.92
Office expenses for which bills were not rendered in time to be paid in December, 1931.	
FOR VOLUNTARY RESERVE.....	1,000,000.00
A safety fund established to take care of any contingencies that may arise.	
SECURITY DEPRECIATION RESERVE.....	1,799,673.25
Deduction from Surplus to adjust security values as per formula of Connecticut Insurance Department.	
CAPITAL PAID IN.....	<u>\$3,000,000.00</u>
NET SURPLUS OVER ALL LIABILITIES.....	<u>\$4,587,348.51</u>
	<u>\$7,587,348.51</u>
	<u>\$43,258,110.73</u>

TOTAL CAPITAL AND SURPLUS - - - \$7,587,348.51

[Total capital and surplus based on security values established
by National Convention of Insurance Commissioners - - - \$9,387,021.76]

THE HARTFORD ACCIDENT AND INDEMNITY COMPANY

The National Underwriter

Thirty-Sixth Year No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 17, 1932

\$4.00 Per Year, 20 Cents a Copy

Inland Marine Is Left Free Hand

New York Department's Control Bill Allowed to Die in Committee

LEGISLATURE ADJOURNS

Regulation of Company Investments Meets Similar Fate—Unimportant Bills Passed

NEW YORK, March 16.—After being in session since the first of the year, the state legislature adjourned last Friday, having considered scores of bills affecting insurance but passing only a few. The majority of these were amendments to present laws of no particular concern. The only really important measure adopted was the agents' qualification law referred to at greater length in another column.

Of the considerable number of bills introduced at the instance of the insurance department, none of a controversial nature met favorable reception, an unusual condition, for as a rule measures backed by the department find general support among the legislators regardless of party affiliations.

Pigeon-holed in Committee

Among department bills allowed to die in committee, probably the outstanding were those seeking to regulate investments of companies, and granting the department control over rates on inland marine covers. The latter measure, championed by Superintendent Van Schaick, was vigorously fought at three separate hearings by the marine men, and finally was pigeon-holed.

This means that the department must now deal with the friction that has existed between the three classes of carriers writing inland covers, i. e., fire, marine and casualty offices.

Encroachment Charged

It will be recalled that fire and casualty companies have complained that the marine men have been encroaching upon their preserves in recent years. Bitter antagonism has been engendered. Appeal was made to the department to fix a line of demarcation for each of the three classes, and this Superintendent Van Schaick attempted to do following a number of conferences, first among the underwriters themselves, and then between company and department representatives.

Feeling that the department was hampered through the absence of legal control over inland marine rates, Mr. Van Schaick postponed decision in the controversy pending action by the legislature on the bills which were designed to give the department authority in the inland field.

Now that the measure has failed of enactment, the situation is back where it was several months ago, and will

Plan Beautiful Exhibit of Insurance at 1933 Fair

Plans are steadily taking shape for the participation of the entire insurance business in the Century of Progress exposition to be held in Chicago next year.

Elaborate detail plans have been drawn which provide for practically a separate building for insurance, or at least semi-detached from the Social Science building which will be erected soon.

Organizations' Conference

Representatives of various organizations, such as the National Board, National Bureau of Casualty & Surety Underwriters, Association of Life Insurance Presidents, American Institute of Marine Underwriters, Association of Casualty & Surety Executives, etc., met in New York to consider a method of participation. For the purpose insurance will be divided in five groups country-wide—fire, life, casualty, marine and surety. It was decided at the New York meeting that each group should name a committee.

The Life Presidents Association has named its committee, which consists of L. A. Lincoln, vice-president Metropolitan, chairman; J. B. Reynolds, president Kansas City Life; H. A. Behrens, president Continental Assurance, Chicago; E. E. Rhodes, vice-president Mutual Benefit; Major A. E. Tuck, assistant secretary Equitable of New York.

Others Consider Project

The public relations committee of the National Board is expected to meet some time this week, when the subject will be considered and a committee probably named. The matter will be taken up by the other organizations very soon.

All representatives at the meeting were enthusiastic over the project and went back to their organizations committed to the purpose of getting an expression of opinion from their principals, and particularly as to the matter of subscribing to the financing plan.

The New York meeting was presided over by C. W. Seabury, chairman of A Century of Progress insurance committee and vice-president of Marsh & McLennan. Other members are, P. B. Hosmer, president Chicago Board; Charles P. Whitney of Critchell, Miller, Whitney & Barbour, Chicago; John C. Harding, western manager Springfield Fire & Marine; George D. Webb, of Conkling, Price & Webb; Charles H. Burras, president Joyce & Co.; Mr. Behrens, Continental Casualty, and Wade Fetzer, president W. A. Alexander & Co.

Details of Proposal

The insurance section of the Social Science building, according to the proposal, will be 90 feet in diameter and hexagonal in form, one side of the hexagon being open and connecting by a long passageway with the main section

have to be settled, if at all, by the interested underwriters, with the department acting in an advisory capacity.

of the Social Science building. Each of the other five sides will be devoted to an exhibit of one of the insurance groups. The building will have a dome about 70 feet high.

An important feature which has been suggested by Lorado Taft, famous sculptor, is to execute six symbolical groups carrying out the idea of protection. One will be heroic in size and will be placed in the center of the floor. Each of the other five more specifically will carry out the idea of one of the five types of insurance.

Each to Have a Section

These five lesser groups will be placed at the front of the various exhibits. Each type of insurance will have a section of the hexagon covering about 700 square feet, 40 feet in width at the outer edge, 30 feet inside and some 20 feet deep.

Officials of the exposition in collaboration with the insurance committee made a study of exhibit possibilities for insurance and concluded that the exposition would not be complete without an insurance exhibit, and that great opportunity was offered for presentation of the idea to the approximately 50,000,000 visitors who are expected. "The whole effect will be beautiful and impressive," exposition officials state: "will be worthy of the importance and dignity of insurance, and will be long remembered by visitors to the exposition."

Methods of Presentation

It is planned to have the exhibits dynamic, moving and attention-arresting, and not static. Moving pictures may be utilized and the diorama or three dimensional method of exhibition. Models, displays using moving lights, some graph methods for making certain points, and similar ideas are under consideration for the actual exhibit.

In life insurance, exposition officials believe, there is a great opportunity to indicate the hazards surrounding human life, the value of life and need for insuring it, the work of insurance companies in increasing length of life, health and efficiency of the human race; the effect of insurance on character, success, thrift, etc.; the relation of life insurance to pension plans, dependency, size and stability of estates at death; trust estate service, creation and maintenance of credit, relation of insurance to education and philanthropy, social and economic effects of life insurance investments in railroads, public utilities, mortgages, etc.

Fire Insurance Possibilities

In regard to fire insurance, it is possible to have a series of exhibits on fire as an enemy, something as to the nature and causes of combustion and scientific principles of fire extinguishment, demonstration of first aid equipment, fire alarm systems, automatic sprinklers, etc., exhibits of various types of construction, roofing, etc., correct methods of fighting fires, development of ways and means to prevent fires, especially

(CONTINUED ON PAGE 14)

Substitute Plan Is Not Favored

Officials Not Seriously Considering Project Replacing Insurance Executives Association

INAPPLICABLE TO U. S.

Suggestion Cost Could Be Cut by Body Similar to London Fire Office Unheeded

NEW YORK, March 16.—The suggestion advanced in certain quarters that the objectives of the Insurance Executives Association, still in process of formation, could be attained at considerably less expense through formation of a body similar to the London Fire Office, hardly bears close analysis, nor is it likely to be given serious attention by company officials.

Opponents of the plan point out that fire underwriting practices here and in Great Britain differ radically. In the first place, this country is of vastly broader extent than is the "tight little island," its property values many times greater, and the number of fire companies represented here is materially larger than across the Atlantic.

Different System Abroad

The agency system, so thoroughly established in the United States, is unknown in Great Britain, where salaried managers are employed, each under direction from his head office and compelled to carry out its instructions.

Governing laws in Great Britain are few and easily complied with, while here there are 48 states and the District of Columbia, each with its own set of regulations, many differing radically from others, a combination creating a nightmare to the official seeking to observe them and avoid penalties. While the basic principles underlying fire underwriting are the same throughout this country, they are influenced to a considerable degree by territorial conditions, and these must be taken into account by any company seeking to transact a nation-wide business.

Territorial Difficulties

The task of harmonizing conditions in the east, west, south and upon the Pacific Coast and to insure close and effective cooperation between the different jurisdictional bodies; and again with those supervising particular forms of coverage, is one that taxes the best brains in the business. This is particularly true in times of general stress such as have been experienced since the fall of 1929, and which are likely to continue through the balance of the year, at least.

Although functioning of the I. E. A. has been delayed from month to month, assurance is given that it will get under way in the near future. Failure to do so is attributed to inability of the com-

(CONTINUED ON PAGE 14)

Justin Peters Is Groomed for Insurance Directorate

SEEKS U. S. CHAMBER POST

Mutual Officials Claim That They Are Entitled to Representation on the Board

James S. Kemper of Chicago, president of the Lumbermen's Mutual Casualty and head of a large mutual syndicate of companies, who is a former director of the United States Chamber of Commerce, announces that Justin Peters, president of the Pennsylvania Lumbermen's Mutual Fire of Philadelphia, and a director of a number of insurance companies and organizations, is being groomed for the position of insurance director to succeed President Charles W. Gold of the Pilot Life of Greensboro, N. C., whose term expires this year. Mr. Kemper is acting as chairman of the campaign committee for Mr. Peters.

Position of the Mutuals

Mr. Kemper states that from the time the national chamber was established in 1920 until 1930, one of the insurance directors had been identified with stock companies and one with mutuals. At the present time the insurance directors are Mr. Gold and George D. Markham of St. Louis, a local agent. Mr. Kemper declares that the national chamber should reflect all aspects of the business and he feels therefore that the mutuals should be represented. When Mr. Kemper retired as director, P. W. A. Fitzsimmons of Detroit, president of the Michigan Mutual Liability, was elected. He was supported by the various insurance interests until two years ago when the life companies and especially those identified with the American Life Convention prosecuted Mr. Gold's candidacy.

Present Directors Are Stock Men

Mr. Kemper takes the position that Mr. Gold and Mr. Markham are both stock insurance men. In addition to the two insurance directors there are two other insurance men on the board who represent geographical divisions, one being P. J. Fay of San Francisco, a stock company general agent, and President L. J. Dougherty of the Guaranty Life of Davenport, a stock company.

Mr. Kemper states that the National Board and the National Association of Mutual Insurance Companies have already endorsed the candidacy of Mr. Peters. Other organizations which he says are backing him are as follows:

Federation of Mutual Fire Insurance Companies, National Association of Mutual Casualty Companies, National Association of Automotive Mutual Insurance Companies, Mutual Fire Insurance Association of New England, National Retail Lumber Dealers Association, Philadelphia Board of Trade, Carolina Retail Lumber & Building Material Dealers Association, New Jersey Masons Material Dealers Association, Virginia Lumber & Building Supply Dealers Association and Pennsylvania Lumbermen's Association.

Seek to Curb Losses

MONTGOMERY, ALA., March 16.—In an intensive campaign to cut Mississippi's abnormal fire loss ratio and curb incendiarism, C. E. Johnson and D. M. Slaughter, special agents of the National Board, have been assigned to work under the direction of Commissioner Riley and in cooperation with the state fire marshal. Mr. Johnson has been given a full-time assignment with the Mississippi department, Mr. Riley said, while Mr. Slaughter will alternate on a half-time basis between Louisiana and Mississippi.

New York Qualification Bill Up to Governor Roosevelt

IS PASSED BY BOTH HOUSES

Local Agents Elated Over Prospect of Success After Three-Year Campaign

NEW YORK, March 16.—Organized agents of this state are jubilant over passage by the legislature in its closing hours last Friday, of the agents' qualification bill, for which local agents have campaigned three years.

The present bill, after a stiff fight in the assembly, received the necessary 76 votes for adoption, while but one negative vote was cast when it later came before the senate. The measure now goes to Governor Roosevelt for final consideration. As it provides for creation of a separate division in the insurance department and carries an expense allowance of \$25,000, there is speculation as to the governor's attitude, for heretofore he has taken a firm stand against increasing governmental costs.

Doubtless it will be pointed out to Mr. Roosevelt by proponents of the measure that the expense of enforcing its provisions will be reduced through the \$5 fee the department is empowered to charge every prospective agent taking the required examination.

While amended in certain respects, the bill as passed is substantially the same as that considered by the legislature during the sessions of 1929, 1930 and 1931. Offered early this year favorable consideration was earnestly championed by T. L. Rogers, president New York agents' association; F. L. Gardner, past president National Association of Insurance Agents, and others, all of

Lansing Agency Employees to Have an Organization

LANSING, MICH., March 16.—Employees of Lansing Association of Insurance Agents member agencies are organizing an association of their own as the result of a movement started last week at a dinner given by the agents for their office forces. W. Everts Rouse, president, named a committee of women employees which will arrange details of organization. It is anticipated that the new group will prove of considerable value to association agencies through improving on office practices and exchanging information. Problems of office procedure will be taken up at the occasional meetings of the new association.

Clyde B. Smith, former president National Association of Insurance Agents, was the only speaker at the dinner. Among the amusing entertainment features was a contest for the young women clerks in which a prize of a box of candy was offered for the best answer to the question: "How can a girl persuade a special agent to buy her a box of candy?" It was generally agreed that in these days of lean expense accounts, the feat is an impossibility.

whom worked long and effectively. Representative brokers' support contributed considerably to the final result.

Should Governor Roosevelt sign the bill, organized agents will feel amply rewarded for their strenuous labors.

So far as fire company officials are concerned, they would have been better pleased with the bill had it contained a clause defining the financial responsibility of local agents, similar to that incorporated in the agency qualification measure now before the New Jersey legislature.

Commissions and Automatic Cancellation Main Subjects

CLEVELAND AGENTS' MEETING

Mid-Year Gathering of National Association to Hear Report of Case's Committee on Non-payment

NEW YORK, March 16.—Interest at the mid-year gathering of the National Association of Insurance Agents at Cleveland, March 22-24, it is expected will center largely about discussions of agents' commissions, and upon the report of Past President J. L. Case, chairman of a special committee named at the annual convention last fall to consider automatic cancellation of policies for non-payment of premium.

Local agents have been somewhat concerned over what they declare to be the general tendency of companies to reduce commissions to producers as an offset to their underwriting losses; pointing in justification of the allegation the recent 33 1/2 percent reduction in commissions on depository bond covers, news of which, coming without previous intimation, aroused a storm of protest from the agency field.

Proposal of Committee

The Case committee's proposal for curing the "free insurance evil" is the attachment of the subjoined notice to every fire, casualty and surety contract: "The premium herein must be paid in cash to the agent issuing this policy, or to an authorized representative of the company, on or before the 15th day of the month succeeding the month in which this policy is to become effective. Unless so paid at that time, this policy shall be null and void from such date."

In the opinion of the committee such a clause may be used in the majority of states without legislative action, in so far as fire companies are concerned, and it may be adopted by casualty and surety offices throughout the country at the present time.

Under a plan submitted from the Pacific Coast, suspension of the coverage until the premium is collected is favored, rather than outright cancellation of the policy. Both plans will be reviewed at the Cleveland gathering.

Other subjects to be debated at the sessions and sure to evoke keen interest, include reports from the committee on company-agents contractual relations, and that relating to the Interstate Underwriters Board. There probably also will be discussions of automobile rates, the merit plan of rating, reciprocity in business and the surrender of managerial functions to the state.

G. L. Ramey Agency to Use National Guarantee Service

The G. L. Ramey Agency of Indianapolis has adopted a premium finance plan to be put into effect immediately. The services of the National Guarantee & Finance Company, Columbus, O., will be used and all Ramey agents are urged to avail themselves of this arrangement. Blanks have been issued to the agents which cover the agreement as to turning over accounts to the finance company and cooperation in handling the business.

"In our opinion," said Mr. Ramey, "it is absolutely necessary to adopt modern methods if we intend to stay in the front line ranks. We want to equip our representatives with every facility to handle their business with best results. We believe that, in providing this method of financing premiums, it will be possible for them to be relieved of much of the routine involved in making collections which time can be used for increasing the business of the agency."

THE WEEK IN INSURANCE

Suggestion that objectives of proposed Insurance Executives Association could be realized at less cost through formation of group similar to London Fire Office generally deemed not worth serious consideration. **Page 3**

New York legislature adjourns after long session without enacting any outstanding insurance laws save agency qualifications, but allows two important department bills, regarding regulation of company investments and giving control over inland marine rates, to die in committee. **Page 3**

Progress made in perfecting plan for exhibit of all insurance at 1933 world's fair in Chicago, group committees being appointed. **Page 3**

New York qualification bill passed by both houses and up to governor for signature. **Page 4**

Agents' commissions and automatic cancellation for non-payment of premium expected to be main topics of discussion at mid-year meeting of National Association of Insurance Agents at Cleveland, March 22-24. **Page 4**

While executives are pondering the premium financing question, one of the regional fire organizations has asked its members to refrain from subscribing to any agreement until the problem is discussed further. **Page 5**

Suggestion is made from the east that the time has come when there should be a rate increase on dwelling and unprotected business owing to the severe losses. **Page 10**

Nathan Klee, prominent Chicago local agent, died last week. **Page 20**

Justin Peters, president Pennsylvania Lumbermen's Mutual Fire of Philadelphia, has become a candidate for insurance director of the United States Chamber of Commerce. **Page 4**

Difficulties in determining question of disability in heart disease cases reviewed by Chicago heart specialist. **Page 30**

Superintendent Van Schaick frowns on edict of New York State Medical Society requiring members to buy liability

through specified broker as against public policy. **Page 30**

W. C. Klenk appointed Greater New York general agent by Income Indemnity of Boston, which now specializes in disability contracts in conjunction with life insurance. **Page 30**

J. A. Behn, general manager National Bureau of Casualty & Surety Underwriters, holds conference with Commissioner Lawson of West Virginia on auto liability rate dispute in that state. **Page 38**

Conference of Wisconsin local agents held in Milwaukee to consider new automobile liability and property damage rates. **Page 42**

Popular writer in "Harper's Magazine" presents case for statutory handling of automobile liability claims on much the same basis as workmen's compensation. New Jersey legislature gets measure to create such a system in that state. **Page 40**

Drive started by some bonding companies to get evidence of termination on as many contracts as possible so as to release premium reserve to surplus. **Page 42**

Premium instalment plan for policies including automobile liability is liberalized by the Aetna Life companies. **Page 38**

Assistant Manager Mead of National Casualty Bureau's auto department explains new rate increase at agent's gatherings on swing through middle west. **Page 38**

The fidelity and surety acquisition cost conference announces that on April 1, commissions on depository bonds will be 15 to 20 percent. **Page 37**

Rights of the insurance business in relation to government outlined in stirring address by Frederick Richardson, United States manager General Accident at Boston. **Page 37**

Superintendent Van Schaick takes steps looking towards liquidation of Southern Surety by New York department. **Page 37**

Executives Ponder Premium Finance

Some Plans Found to Be Distasteful to Company Officials

STANDARD FORM SOUGHT

Regional Fire Organization Asks Members Not to Commit Selves to Any Agreement

NEW YORK, March 16.—Since the conference of a number of fire and casualty officials with representatives of a premium financing company late in February, the Western Underwriters Association has asked its representatives not to commit themselves to any particular form of agreement until the question is discussed further.

Meanwhile the use of premium financing appears to be increasingly popular throughout the central west, scarcely a day passing but what companies receive from one to a half dozen notices from different financing concerns stating they have effected arrangements with certain agents and home offices must be governed accordingly. The plans of the various financing institutions differ and some are objectionable to the companies, however much they may commend themselves to the local men.

Conference Is Called

It was this conflict that induced the First Bancredit Corporation to invite executives to a conference here last month, with a view to getting the ideas of the company executives on the credit plan as a whole and then as to each of its particular features. When the contract as originally used was read, executives felt that the insurance companies' interests were not properly protected and insisted that if any agreement was to be acceptable to them radical changes in the present stipulations must be incorporated.

Fortified with such knowledge the premium financing people promised to redraft their agreement, with a view to making it acceptable to the managers and issuing a contract that would be standard for all concerns handling agency accounts. The financing of agency premiums, though followed to an extent in New England and to far lesser degree in certain parts of New Jersey, has not attained anything like the proportions in the east that it has in the central west.

Fire Loss Up in February

NEW YORK, March 16.—Fire loss in the United States in February totaled \$39,824,622, according to a tabulation of the National Board, a \$600,000 increase over January, but a decrease of 6 percent from February, 1931.

Michigan Appetites Are Big, This Claim Proves

Indicative of the big and expensive appetites and prosperity of northern Michigan is the claim from Manistee, Mich., which is being handled by the Western Adjustment. The claim is \$55 for food, asserted to have been damaged in the gas refrigerator of a householder there when a leak in the gas pipe caused a fire and fouled the food.

Some Gains Are Noticed in New England and New York

COMPANIES ARE ENCOURAGED

Banking Conditions Seem to Be Easing Up and More Confidence Is Noticed

NEW YORK, March 16.—While little if any new business is coming in from the west or the south, companies report slight gains from sections of the east, particularly from New England, and from various points in this state. Though the increase is nothing to brag about, it yet indicates a trend which it is hoped will continue in accelerating degree. The shoe industry in Massachusetts and textiles in other New England states are opening up, and orders for coverage on the different properties are reported. What is of equal importance, collections are somewhat better than was the case several months ago. The financial situation has eased considerably since the federal government's reconstruction program went into effect. Bank failures have measurably decreased. Confidence in the continuing institutions is stimulating.

While agents yet find difficulty in getting the bank accommodations once freely accorded, they report an easier tone in that connection and are able to get partial credits. While thankful for the slight encouragement afforded within the past few weeks, companies appreciate that their pathway for some time yet will be a difficult one and are putting every ounce of energy and ability they possess into the handling of their affairs. Competition among the companies was never more keen than now. Field men and local representatives are stimulated to do their utmost to retain old lines and to seek new risks wherever it may be possible to attain them. Hopeless of making any profit from the banking element of the business, managers are concentrating upon their underwriting programs seeking to remedy whatever flaws experience may have revealed and to bring them into such shape as will afford a margin of

Gardner, Griffiths Now Joint Coast Managers

NEW YORK, March 16.—United States Managers Koeckert and Collins of the Commercial Union and Ocean Accident groups respectively announce that they have amalgamated their Pacific Coast departments under the joint managements of W. J. Gardner and J. C. Griffiths, Jr.

A. N. Lindsay, assistant manager of the Commercial Union group of fire companies at the Pacific department has been appointed assistant manager for the casualty companies comprising the Ocean group.

T. E. Loynahan, assistant manager of the Ocean at the Pacific department has been appointed assistant manager for the Commercial Union group of fire companies.

Under this plan Messrs. Gardner and Griffiths become associate managers for both the Ocean group of casualty companies and the Commercial Union group of fire companies. At the present time their respective departments are domiciled in the companies' own building but the new move will bring all departments in direct contact. The agency interests of the Ocean and the Commercial Union are at present so closely allied that it was deemed advisable to join the various departments under combined managements, so that greater service may be extended to each agency of the combined groups. Thus an agency may now secure under one control expert service on all classes of insurance which these groups of companies are now writing.

Regional Meet at Cleveland

NEWARK, March 16.—Laurence E. Falls, vice-president, and Frank K. Mitchell, assistant secretary of the American of Newark, will conduct a two-day regional meeting of representatives of the American group March 22-23. Both officers will also be in attendance at the meeting of the National Association of Insurance Agents.

gain over the combined loss and expense factors.

What Is the Audit Bureau?

Question—I notice that on the editorial page of your paper every week you carry the notation "member Audit Bureau of Circulations." What does this mean? What is the Audit Bureau of Circulations, and in what way is it beneficial to a reader of your paper?

Answer—The Audit Bureau of Circulations was organized many years ago by the leading newspapers and nationally circulating magazines for the purpose of establishing an impartial, unprejudiced bureau that could check and audit the circulations of the newspapers and magazines in which advertisers were interested in inserting advertising. It has grown to such an extent that today practically all of the newspapers and magazines with a circulation of any consequence are members. In fact, advertisers have no other way of determining that the circulation claimed by newspapers and magazines is authentic.

Like Department Examination

To make an insurance illustration, the Audit Bureau of Circulations examines a publication just as an insurance department examines a company. Post-office bills, printing bills, paper bills, bank deposits and other records are analyzed to see if they check with the paid circulation claimed. Some astonishing tales could be told of what the auditors find.

Few insurance companies would be willing to see state insurance departments abolished. With all their annoyances they do keep the field reasonably

clear of "wildcats" and fake companies. Those who remember the wildcat days know what would happen if departmental supervision was withdrawn.

The Audit Bureau of Circulations was formed because with the growing expenditures for advertising it became essential for advertisers to know what they were getting for their money. It is extremely rare for any magazine or newspaper or newspapers to resign from the Audit Bureau of Circulations once they have become members. It would be comparable to an insurance company withdrawing from the supervision of the state insurance departments and "going wildcat." The unadmitted companies might have plenty of good assets, but the public might doubt it.

Important to Advertiser

From the standpoint of the reader the fact that THE NATIONAL UNDERWRITER is a member of the Audit Bureau of Circulations is of no consequence, as it has no effect upon the editorial policy or content of the paper. For the advertiser it is important. It means that THE NATIONAL UNDERWRITER's circulation is known or ascertainable. It means that THE NATIONAL UNDERWRITER cannot resort to extravagant circulation claims, but that instead it has come out into the open with its circulation and that as a consequence every advertiser knows exactly what he is buying. The same is true of any other paper belonging to the Audit Bureau of Circulations.

Brokers Turning to Life Insurance

Slump in General Lines Causes Interest in Developing Personal Cover

SEE TWO-FOLD REASON

Time Is Better Spent Nowadays in Caring for Fire and Casualty Clients' Other Needs

NEW YORK, March 16.—With business slow in general insurance lines, brokerage solicitors of life agencies are finding an increasing response from general brokers to appeals to utilize their fire and casualty contacts to sell life insurance.

There is a two-fold argument for general brokers to make the most of their contacts and actively push the sale of life insurance. First, they now have the time to give to it, as they well know that more than a certain amount of effort in trying to get in fire or casualty business is practically wasted.

Avenue of Attack

Second, they realize that if a full-time life agent gets their client's life business, he is more than likely to try to get the general business as well. Aggressive life agents are not overlooking any bets and a surprisingly large number of them have general insurance business on the side, business that comes to them from their life clients merely for the asking.

Thus the broker has not only prospect of being richly rewarded for the time spent in selling life insurance when he could not profitably be employed otherwise, but he also faces the chance of losing general business to the life agent who takes the life business of a client with whom the broker has the inside track.

Eubank Lodges Plea

The importance of life business to the general broker is shown by a recent bulletin sent out to brokers by G. A. Eubank, manager life department, Johnson & Higgins, urging agents and brokers to enroll in the New York University life insurance training course.

One factor which tends to hold down the volume of brokerage business is the amount of time that brokers are being forced to spend in the collection of premiums from their fire and casualty clients. Some, however, who have found the selling of life insurance more profitable than their general lines, have turned over the collecting of premiums on the latter to a larger office, on a percentage basis, leaving themselves more time for the life end.

Ader Succeeds Conway

E. J. Ader has been chosen superintendent of the Cincinnati salvage corps to succeed J. J. Conway. Captain Ader joined the corps Oct. 7, 1901, and served continuously since then. There were many applicants for the post, including a number of men in other cities.

Takes Over Mutual

NEW YORK, March 16.—The insurance department has taken over the Independent Mutual of New York, the court denying the appeal of the management for a restraining order.

The Indiana Fire Prevention Association will hold a town inspection of Lafayette, Ind., April 14. Wm. J. Henshaw is president, and Karl D. Weaver is secretary.

Says Moral Hazard Fires Not Increased This Year

FIREBUGS CHANGE METHODS

Explosion, Rather Than Use of Inflammable Liquids Employed Now to Destroy Evidence

NEW YORK, March 16.—While some fire companies report a growing number of explosion losses resulting from deliberate attempts at arson, a canvass of the street fails to reveal that the condition is general. On the contrary, it is stated that though continuing in considerable degree, moral hazard fires are not more numerous today than they have been for several years past.

The practice of the professional "fire bug" has changed somewhat of late, in that instead of following the old-time method of suspending a pig's bladder filled with gasoline from the ceiling over a heated stove in the center of a room, the informed crook now depends upon explosion from vaporization as being more effective in destroying a building and its contents and in concealing evidence of the crime.

Company officials are agreed that the heavy losses sustained upon the better grade of dwellings in different parts of the country within the past two years is attributed to moral hazard, which converts a class of business hitherto considered "preferred" and eagerly competed for by all carriers, into almost an assured loss producer.

This regrettable condition is assigned wholly to the desperate economic straits in which many property-owners found and are finding themselves through unemployment and not infrequently the complete wiping out of their accumulated savings. Though firmly convinced of the existence in large degree of the moral hazard in dwelling fires, adjusters yet assert the discovery of substantial proof of that nature is almost impossible to obtain, and their companies are perforce compelled to settle the losses.

Chicago Brokers Protest Unexplained Radio Claims

The Insurance Brokers Association of Illinois informally through its members and finally through an official letter has protested to the National Broadcasting Company against programs of reciprocals or mutuals, promising a 20 percent or other dividend saving without a qualifying statement that this is not guaranteed, and an assessment of the policyholder is possible.

Smoking in Theater Hazard

Fire Chief Steinkellner of Milwaukee is sponsoring an ordinance prohibiting smoking in theaters. He takes the position that regardless of the trend of the times in attracting patronage to some theaters by allowing smoking it is a very hazardous practice. As a drawing card theaters in various cities and towns have been featuring the fact that smoking is permitted either throughout the entire house or at least in the balcony. Fire insurance men agree that this is a real hazard.

Bankruptcy Proceedings Filed

A petition in involuntary bankruptcy has been filed against the Mullin, Johnson Company, brokerage affiliate of the defunct Mullin-Acton general agency of San Francisco. It is reported that assignment of possible assets of Mullin, Johnson Company to the Fruit Growers Supply Company caused filing of the bankruptcy petition by R. A. Buss, receiver for Mullin-Acton Company.

FIGURES FROM DECEMBER 31, 1931, STATEMENTS FIRE COMPANIES

	STOCK COMPANIES				COOPERATIVES			
	Assets	Gain or Loss in Assets	Reins. Res.	Capital	Assets	Gain or Loss in Assets	Reins. Res.	Capital
Albany, N. Y.	2,531,341	323,992	735,906	—62,795	1,000,000	650,133	—373,767	338,579
Allied, N. Y.	509,891	—22,468	107,186	—8,819	200,000	180,891	—7,449	66,796
Associated, Pa.	167,719	—27,303	—	—	100,000	16,914	4,204	36,650
Atlas, N. Y.	249,087	—29,827	—	—	200,000	43,069	—14,830	12,802
Capital, Cal.	6,686,890	—221,170	3,575,795	—344,673	—	2,476,296	76,939	1,908,674
Fidelity, N. J.	1,067,874	21,446	177,533	—7,865	400,000	258,629	—170,503	80,263
Fidelity & Guar.	552,534	—3,352	40,067	—10,098	200,000	301,666	1,381	15,613
General, France	4,922,804	162,864	2,377,280	400,825	1,000,000	1,111,409	—296,009	1,279,533
Hamilton, N. Y.	2,016,452	103,938	778,822	240,262	—	839,576	—386,684	416,058
Kan. City F. & M.	6,137,223	—95,157	445,596	—587	1,000,000	2,406,784	315,921	—
Keystone A. C. Pa.	1,259,222	92,956	148,184	49,921	500,000	525,142	15,133	54,378
Memphis Fire	4,002	—	—	—	200,000	161,123	15,303	31,148
Merchants, N. Y.	71,611	8,555	3,891	1,725	50,000	17,363	5,533	264
Northern, Eng.	13,139,955	—61,499	4,150,635	—64,460	4,000,000	1,400,788	—2,216,292	1,563,492
Pacific Natl.	8,550,061	—378,949	4,489,455	—228,698	400,000	2,717,299	—166,149	2,211,282
Standard, N. J.	2,998,194	—213,969	722,782	105,536	1,250,000	933,288	—352,437	263,082
Washington, N. Y.	2,967,726	—65,085	1,463,297	—80,176	600,000	602,841	—73,839	583,460
West. & South'n F.	1,476,332	28,888	241,738	—36,452	500,000	683,171	—73,668	116,944
	510,504	8,296	28,680	—	—	220,876	—31,333	6,809

	STOCK COMPANIES				COOPERATIVES			
	Assets	Gain or Loss in Assets	Reins. Res.	Capital	Assets	Gain or Loss in Assets	Reins. Res.	Capital
Amer. Exch. Under.	1,726,108	2,983,832	234,710	1,192,276	2,450,000	244,586	1,901	376,536
Chicago Lloyd	2,874,846	3,050,909	382,213	—	2,144,791	1,040,099	649,102	1,262,882
Fitchburg Mutual	571,103	1,670,851	430,496	307,264	1,193,818	595,249	247,139	616,337
Inter-Ins. Ex. of Mo.	461,237	514,356	225,866	166,690	628,481	241,170	615,394	592,766
Illinois Mut. Fire	114,397	—	66,298	43,373	—	67,435	—	72,773
Keystone Indem. Ex.	466,251	517,880	273,177	145,337	703,668	272,819	717,531	847,139
Mich. Millers Mut.	3,837,240	3,886,968	1,883,254	1,461,599	2,479,922	1,020,868	2,107,338	2,822,952
Mich. Shoe Dealers	240,461	245,020	172,951	53,693	—	198,931	—	210,738
Neb. Hardware	240,036	283,294	139,162	—	97,984	232,165	130,853	243,618
Oregon Mutual	595,866	742,651	464,172	—	251,846	496,244	328,531	536,280
West. States Lloyds	—	91,872	13,941	—	79,546	29,855	8,925	26,431
Berkshire Mut., Mass.	827,550	827,550	526,705	252,874	252,874	550,303	228,572	587,054
Fidelity Mut., Ind.	289,747	505,242	113,608	161,977	161,977	149,524	63,394	182,281
Hampshire Mut., Mass.	181,852	181,852	118,003	56,803	—	56,803	49,664	129,682
Iowa Mut. Tornado	1,659,509	1,664,778	—	—	—	—	93,676	252,548
Mfrs. & Mer. M., N. H.	1,214,571	1,222,030	235,730	949,714	1,857,173	187,134	96,766	214,804
Mer. & Far. M., Mass.	429,938	385,628	231,267	—	208,846	193,665	64,439	214,804
M. Fire Chest, Cy. Pa.	359,327	385,628	—	—	206,670	344,548	205,618	367,715
Mut. F. Harf'd Co., Md.	359,327	385,628	301,296	126,073	873,713	491,406	224,080	513,091
Mut. Montgom. Co., Md.	895,004	895,004	123,684	748,411	1,838,809	100,033	239,552	256,055
Ohio Und. Mutual	407,585	401,303	208,651	162,049	332,810	161,474	334,313	384,550
St. Paul Mutual	53,518	79,843	2,133	46,486	51,945	164,796	65,002	170,541
Vermont Mut. Fire	798,652	796,524	321,274	354,557	852,806	558,463	873,908	898,564
Western Mut., O.	131,607	492,820	82,976	71,665	154,601	135,712	60,455	144,452
Atlantic, Ga.	761,079	689,483	201,750	449,112	689,483	319,813	112,064	487,382
Citizens Mut. Auto.	715,137	725,428	346,421	—	135,505	868,177	578,304	888,432
Dorchester, Mass.	496,402	551,005	193,927	—	340,480	157,519	48,468	180,034
Farm. Alliance, Kan.	906,776	1,015,938	630,870	249,244	358,406	445,622	261,462	492,373
Farmers, Neb.	1,141,336	1,189,175	—	1,091,751	1,091,751	616,286	653,492	1,018,838
Guaranty Lloyds, Tex.	173,978	173,978	59,517	98,191	838,484	574,089	212,329	680,591
Holyoke Mut.	1,774,830	1,838,484	625,150	1,061,492	1,838,484	574,089	212,329	680,591
Impl. Dealers, N. D.	492,260	631,202	315,695	—	235,301	658,281	271,752	688,320
Inter-Insurers, Mo.	—	217,222	37,229	—	179,578	34,399	9,552	43,135
Mfrs. & Whole, Colo.	248,198	249,786	295,184	1,106,016	165,802	176,224	53,007	188,367
Mut. Fire, Mar. & Ind.	1,938,716	2,039,786	69,886	157,987	157,987	114,794	37,261	123,526
Natl. Jewelers, Wis.	230,775	232,034	143,057	—	79,018	216,266	114,548	225,976
N. Y. Central	1,095,628	1,171,894	219,059	952,835	940,444	144,732	48,154	199,623
Pawtucket, R. I.	1,169,160	1,354,713	684,263	606,895	606,895	661,793	272,792	742,919
Recip. Exch., Mo.	1,674,409	2,643,869	483,490	1,115,698	2,085,158	688,762	171,809	770,838
Southern, Tex.	173,559	173,559	55,587	70,676	70,676	110,881	51,261	116,387
Town Dwelling, Ia.	874,085	889,085	425,653	428,346	428,346	256,795	155,066	301,488
Und. Exchange, Mo.	—	1,526,273	202,697	—	1,322,336	226,498	33,591	292,574
United, Mass.	3,303,440	3,236,803	1,340,115	1,401,936	1,992,487	704,068	213,972	1,952,505
Worcester, Mass.	2,486,674	4,020,225	593,493	1,872,963	3,406,514	450,116	152,023	578,982
American Mut., R. I.	—	2,966,598	1,026,302	—	1,928,754	873,667	85,228	1,030,387
Hope Mutual, R. I.	1,741,646	8,335,642	683,869	999,928	7,593,924	628,266	49,041	715,292
Auto-Owners, Mich.	1,431,754	1,569,210	526,343	491,374	1,193,454	562,313	1,103,454	1,152,115
Calif. Cas. Indem.	1,444,764	1,444,764	154,872	490,958	1,005,083	666,218	1,156,689	1,146,572
Citizens Fund, Minn.	521,471	1,454,421	284,920	128,945	1,064,133	329,342	20,835	375,177
Enterprise Mut., R. I.	—	2,930,507	1,026,302	—	1,892,662	873,667	85,228	1,030,387
Grain Dealers, Ind.	—	189,286	71,399	—	1,390,000	1,701,425	552,499	1,838,118
Green Mount, Vt.	187,713	—	—	—	52,473	143,708	—69,065	146,580
Int.-Ins. Ex. C. C. S. C.	5,106,288	6,229,970	1,763,319	2,807,779	2,807,779	3,801,594	1,792,052	4,103,401
Int.-Ins. Ex. A. C. S. C.	759,370	4,391,566	357,544	354,917	4,001,044	3,473,989	1,649,824	3,869,717
Keystone Mut., Pa.	677,419	3,887,322	217,621	318,134	3,528,037	395,144	19,831	460,828
Mfrs. Mut., R. I.	—	4,928,044	1,710,504	—	3,198,304	1,456,112	142,046	1,718,558
Mechanics', R. I.	—	3,250,993	1,026,302	—	2,213,118	873,667	85,228	1,030,387
Millers' Mut., Ill.	2,071,798	2,202,484	837,317	1,194,445	2,428,945	1,533,361	475,221	1,622,609
National, Ohio	307,916	349,199	152,955	—	184,402	225,497	102,261	246,300
National, Pa.	228,589	1,397,604	111,816	98,306	1,257,322	144,442	16,193	181,836
Natl. Retail, Ill.	1,051,083	2,122,397	558,330	305,435	1,376,749	1,327,417	279,185	948,451
Natl. Und. D. C.	107,764	108,517	83,405	14,306	14,306	123,937	52,315	128,351
Phenix, N. H.	400,268	959,183	168,882	219,783	778,698	154,160	69,911	45,167
Preferred Class, Ia.	267,711	405,471	77,444	117,145	254,935	161,184	36,088	94,576
Retail Lumber, Wis.	—	248,338	42,063	—	295,098	79,954	142,046	1,734,468
R. I. Mut.	—	5,239,465	1,710,504	—	3,509,724	1,456,112	8,603	14,142
Security Lloyds, Tex.	125,815	126,935	5,335	—	120,257	13,803	13,538	87,366
State Fire, N. H.	168,012	318,756	37,639	127,064	277,808	50,048	170,456	2,080,500
State Mut., R. I.	—	6,414,889	2,052,605	—	4,339,201	1,747,331	48,754	746,218
Wh. Cheer Mut., R. I.	1,871,848	8,675,445	706,322	1,107,682	7,911,279	653,906	—	—

*Include cash assets, notes and policyholders' contingent liability.
†Figures do not include policyholders' contingent liability.

Howe Provides Plan for Syndicate Special Agency

R. F. Howe has established an office in the Y. M. C. A. building at Lincoln, Neb., and will do syndicate field work. He was formerly in the field for the New York Underwriters and recently has been traveling for the Fred Groth General Agency of Lincoln. Mr. Howe has hit on the scheme of taking on field work for companies that probably have a large territory and desire part of it handled a little more intensively. Or a company may have a small business that will not justify a full time special

agent. In other words he is undertaking to handle field work for companies that desire to reduce their field expense where the premiums do not warrant an all time man.

Blanks Committee to Meet

The committee on blanks of the National Convention of Insurance Commissioners, of which W. A. Robinson of the Ohio department is chairman, will hold a meeting at the Commodore Hotel in New York May 9-11.

The Old First National Co., Fort Wayne, Ind., of which Spaid & Scudder are managers, is reducing its number of company representations.

Cancellation Warning Is Attached to Each Policy

By attaching to each policy leaving its office a slip notifying that "our terms are strictly 45 days. We must have settlement within this time or our policy must be returned to us for cancellation," the Slidell Insurance Agency, Slidell, La., has greatly improved the collection situation of its office. "If agents everywhere would adopt similar measures," the agency states, "it would be a simple matter to place the insurance business on a cash basis, where it rightfully belongs."

**What You Get After a Loss
Depends on
Policy Provisions Before a Loss**

**Our Valued Form Policy
and Independent Rates
Will Increase Your Business**

Certain Illinois Territories Open

**MOTOR VEHICLE CASUALTY
COMPANY**

223 W. Jackson Blvd.

Chicago, Illinois

Spirit of Cooperation Seen

NEW YORK, March 16.—As attesting the change in the attitude of agents toward company executives that has taken place in recent years and the general recognition of the fact that more can be accomplished through cooperation than by self-seeking, the special committee of the New Jersey Association of Underwriters charged with the preparation of an agents' qualification bill for their state, instead of playing a

lone hand sought the help of the Eastern Underwriters Association in drafting the measure. Aid was freely given, the visiting agents conferring with representative managers at the home of one of the latter. The attitude of the company men during the several meetings was clearly set forth to the agents, the latter in turn pointing out field problems and seeking suggestions as to how these could best be met. The result

was that a bill was drafted satisfactory to both interests.

The agents were appreciative of the help given them by the companies and frankly so stated, while the executives in turn were most complimentary in their references to the local representatives. It was only a few years ago that the New Jersey agents were emphatic in their condemnation of the E. U. A. and its membership, but since that time executives and local men alike have realized the futility of quarreling with one another and have adopted the sensible policy of cooperation.

Changes in the FIELD

Firemans Fund Announcement

Special Agent Tetlow Is Shifted to West Virginia and E. P. Carberg Is His Successor

Important field changes announced by C. C. Hannah of Boston, eastern manager of the Fireman's Fund group, include the transfer of Special Agent J. E. Tetlow, Jr., from New Hampshire and Vermont to West Virginia, and the appointment of E. P. Carberg as his successor, the former establishing headquarters at Wheeling and the latter at Manchester, N. H.

Mr. Tetlow, who succeeds H. E. Craig, resigned to become vice-president and general manager of the long established Wheeling general agency of Alfred Paull & Son, traveled West Virginia for the Fireman's Fund companies prior to his transfer to the New England field several years ago. His return to that state was at his own request. Mr. Carberg has been connected with the departmental offices in Boston for several years, recently as a senior examiner in charge of an important underwriting division.

J. C. Coldiron

J. C. Coldiron has resigned as special agent in Kansas for Morrison & Clark, Omaha general agents.

Tampa Arson Indictments

Federal court indictments have been returned against seven men accused of arson at Tampa, the charge being use of the mail to defraud in making false claims. The cases are based on the destruction last fall of two apartment houses carrying \$40,000 insurance, the five counts including four on coverage by Chicago Lloyds and one by the Georgia Home Fire of Columbus, Ga. Those charged include Vincent Nucoli, an insurance agent, Peter Friscia, a lawyer and his brother, August Friscia.

N. K. Nelson, president of the **Kansas Fire Prevention Association** has announced that the town inspection of Manhattan, Kansas, will be held March 23 instead of March 24 as first announced. R. E. Verner, Chicago will make the principal address.

Convention Dates

March 22-24—National Association of Insurance Agents (mid-year), Cleveland.
April 7-8—Louisiana Insurance Society, Monroe, La.
April 14-15—Florida Agents, Jacksonville.
April 16-17—Insurance Advertising Conference (southern regional), Dallas, Tex.
April 19-20—Western Underwriters Association, Asheville, N. C.
May 16-17—Oregon Agents, Klamath Falls.
May 20-21—Arkansas Agents, Hot Springs.
May 23-25—New York Agents, Syracuse.
May 25-26—Pennsylvania Insurance Days, Pottsville.
June 6-7—American Association of Insurance General Agents, Hartford.
June 7-9—Health & Accident Underwriters Conference, Chicago.
June 9-10—Texas Agents, Amarillo.
June 24-25—North Carolina Agents, Wrightsville Beach.
July 5-7—New England Agents, Bretton Woods, N. H.
Sept. 12-14—International Claim Association, White Sulphur Springs.
Sept. 27-29—Casualty Conventions, White Sulphur Springs.
Oct. 3-5—Insurance Advertising Conference, New York.
Oct. 3-7—National Safety Congress, Washington, D. C.
Oct. 5-6—Michigan Agents, Flint.

The Premium is your customer's money

He trusts you to place it with a dependable company

IN times like these, unquestioned financial strength should be an imperative characteristic of every company you represent. Your business—your reputation—must not be jeopardized.

The Agricultural, nearly 80 years old, has enjoyed a constant growth. It has served through periods of panic and prosperity alike. Its record is indicative of sound management. Its assets—today more than fourteen million dollars—mark it as a company in

which agents may have complete confidence.

If you are considering the addition of a long established company whose stamina and judgment have been proved by the stress of previous difficult periods... then we seek an opportunity to give you a complete picture of the Agricultural, its age, experience, financial strength, and business policy.

Shall we send a representative to see you? Just name the day.

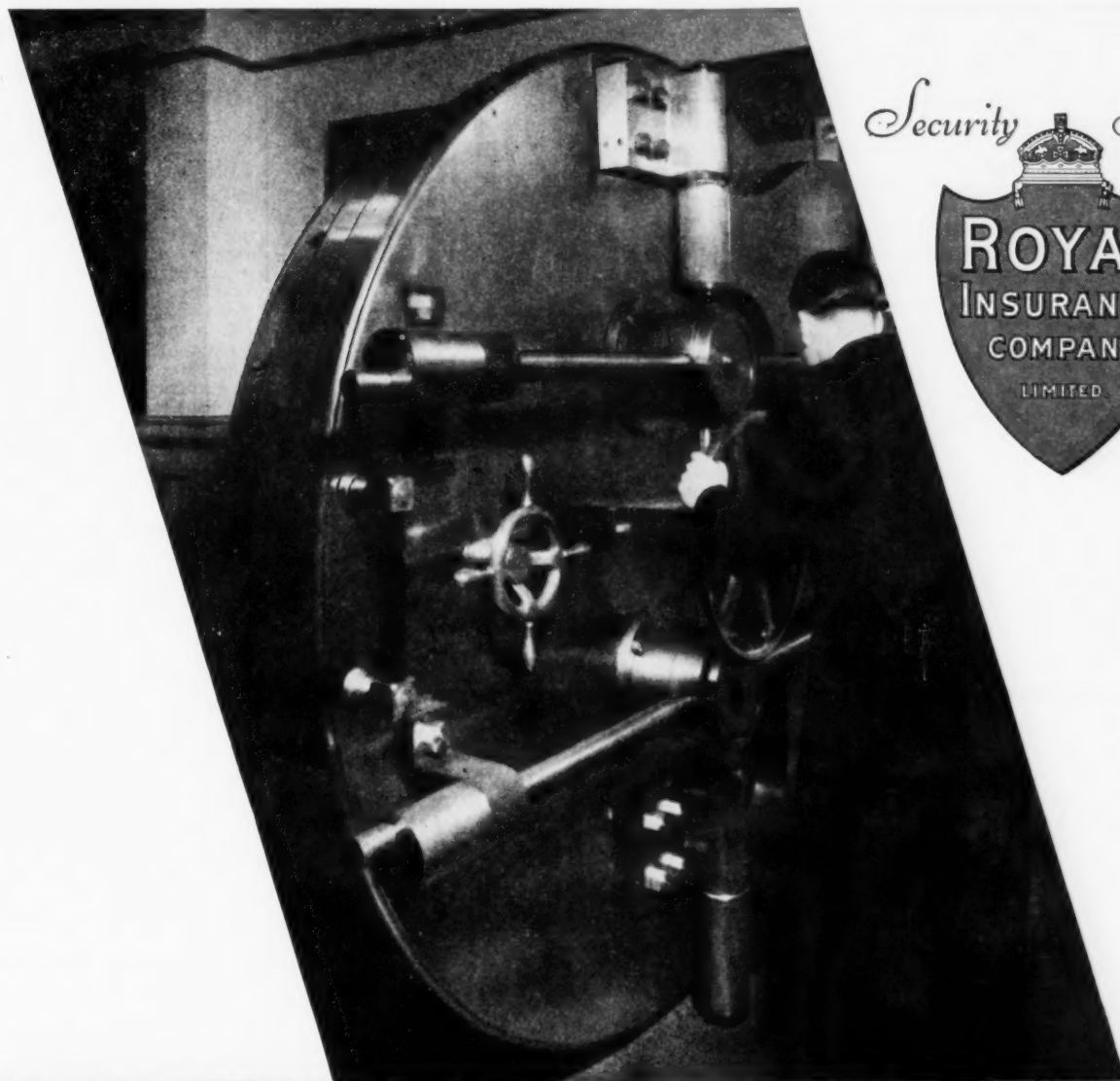
Agricultural
Insurance Company.
of Watertown, N. Y.

Offering more than twenty home and industrial policies

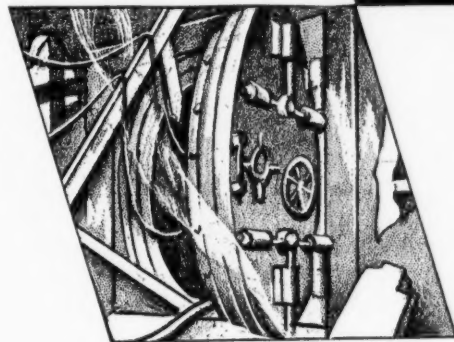
14
million

1853

1932



Security First



© Ewing Galloway

"Safe as a vault!" . . . the last word in mechanical safety . . . so safe that the comparison is frequently used to describe the acme of safety.

The modern bank vault affords a degree of safety from loss that is **ALMOST** absolute.

Insurance written by the right company affords a degree of safety that **IS** absolute . . . absolute assurance of indemnity in the event of loss.

The "right" company is the **ROYAL**...look for the **ROYAL** shield . . . the sign of **SECURITY FIRST**.

ROYAL

INSURANCE COMPANY LTD

150 WILLIAM STREET ■ NEW YORK

AS SEEN FROM CHICAGO

CROWE AND HEISE TO SPEAK

Fred Crowe of the Rockwood Company and W. W. Heise of his agency of that name in the Insurance Exchange, will be the next speakers, March 18, in the Chicago Board auditorium in the series of lectures sponsored by the Insurance Brokers Association. Mr. Crowe's subject will be, "How to Combat Reciprocity and Inter-insurers," and Mr. Heise's, "The Automobile Liability Policy and the Bonded Motorist Service." The lectures are drawing almost a capacity crowd.

COMPANIES WIN TAX CASE

Decision in favor of the companies in the latest net receipts tax litigation in Chicago has been rendered by Circuit Judge Pomeroy of Cook county. Judge Pomeroy, in the case of the 17 companies which were parties to the suit, upheld the view that the assessments as made by the board of assessors and board of review at the behest of tax ferrets were illegal and fraudulent. He did not touch upon the constitutionality of section 30 of the act of 1859. Should

the state appeal, F. D. Silber, attorney for the companies, stated that he is prepared to argue the constitutionality of the section from various angles not heretofore considered.

BROKERS AMENDMENTS UP

Amendments to increase the number of directors of the Insurance Brokers Association of Chicago from 19 to 24, to require a state license under the new Illinois law for membership in the association and to rearrange the terms of officers so they may continue through sessions of the legislature and not change in April, as is the custom now, were approved by the directors. This will come up for final vote by members at the annual meeting in April. It is proposed to make the next term one and a half years, which will change the time of the annual meeting to October, 1933, and thenceforth to have one-year terms. This is in preparation for the next session of the Illinois legislature starting in January, 1933.

The proposed increase in directors will make it possible to have more vice-

presidents, a change contemplated in the amendment, so that vice-presidents may be named as chairmen of a number of committees. The directors heard a report on a committee which has been checking the new automobile rate, to the effect that difficulty has been experienced in getting the data on which the new rates are based.

EXPLAIN FAIR INSURANCE

The Insurance Brokers Association of Chicago has bulletined members, bringing out the point that brokers have a great opportunity in insuring exhibitors and concessionaires at the Century of Progress exposition in Chicago next year. Because Marsh & McLennan was appointed official insurance broker for the exposition corporation, there has been a general understanding that this gave the agency exclusive privileges. President F. P. Lavin, in sending out an explanation of the relationship by J. S. Sewall, acting general manager for the corporation, urges brokers immediately to solicit customers who may take part in the fair. Mr. Sewall explains that insurance on exhibitors' or concessionaires' buildings and contents is not within jurisdiction of the exposition corporation, save that amount of insurance and issuing company are subject to approval, and the insurance can be placed independently. All policies

Rate Increase Is Needed on Some Risk Classes

NEW YORK, March 16.—In the opinion of some company managers a rate increase on both dwelling and unprotected business should be forthcoming to offset the loss drain suffered from both classes. Though convinced that many of the residence fires, east and west, are largely due to moral hazard, no practical means for checking the unfortunate conditions has been devised or even suggested. Underwriters argue that in the absence of any such means the sensible course to pursue would be an advance in tariffs. Never before in the experience of the present generation have losses on supposedly preferred business been so severe as in the past 18 months, and they continue with but slight if any modification. True, in certain sections residences and their contents are still held in favor, but in general the class is anything but popular just now.

must be deposited with the exposition corporation. The corporation merely offers to assist individuals in procuring favorable terms and rates.

The brokers' association is organizing a publicity campaign to inform the public on the necessity of reducing fire waste, accident frequency and greater observance of traffic laws, F. C. Bracken, chairman publicity committee, announces. This will be keyed to the explanation that lower insurance rates are the reward. A volunteer speakers' bureau is being formed to address trade and civic organizations, service clubs, etc. J. P. Wahlman, of Moore, Case, Lyman & Hubbard, is chairman of this effort.

PRESIDENT LEVISON IN CHICAGO

President J. B. Levison of the Fireman's Fund was in Chicago this week enroute home from the east. He gave a luncheon for the officials and heads of the departments of the western branch under Manager S. M. Buck, the marine department under Manager E. D. Lawson, and the Fireman's Fund Indemnity under Manager John Pabst.

LESS USE AND OCCUPANCY

Loss men say that the U. & O. claims are far fewer than usual due to the fact that the assured in most cases is not making any profit and hence there is no need to carry use and occupancy. Many have cut down U. & O. merely to cover fixed expenses and often it is found that the assured is not earning enough to meet all his fixed expenses.

W. W. VINCENT & CO. SHIFTS

The W. W. Vincent & Co. agency of Chicago is moving from A1235 Insurance Exchange into the Chicago office of the New Amsterdam Casualty of which V. H. Bartholomew is manager.

LICENSES FOR SOLICITORS

The Illinois insurance department has ruled that it will not send out any application blanks for agency solicitors until the agent himself is licensed. The agent must give his own license number before getting a license for a solicitor. The department has issued temporary licenses to agents.

The Insurance Club of Chicago will hold a meeting Thursday at the International Geneva Association, 327 Plymouth court.

California Association Moves

Headquarters of the California Association of Insurance Agents have been moved to the Alameda County Title building, 1404 Franklin street, Oakland from the Central Bank building. Due to the increased activities of the association, it was found necessary to secure more commodious quarters.

INCORPORATED 1799

PROVIDENCE WASHINGTON INSURANCE COMPANY

of Providence, R. I.

Capital \$3,000,000

Surplus to Policyholders, \$11,159,491

INCORPORATED 1928

ANCHOR INSURANCE COMPANY

Providence, R. I.

Organized and Owned by the Providence Washington Insurance Co.

Capital \$1,000,000

Surplus to Policyholders \$1,563,657

Each of these Companies writes the following classes of Insurance

FIRE—TORNADO—OCEAN and INLAND MARINE

AND THEIR ALLIED LINES

AUTOMOBILE—FIRE, THEFT and COLLISION

COMBINED POLICIES

AUTOMOBILE—FULL COVERAGE GOLFERS' EQUIPMENT and LIABILITY

WITH

MARYLAND CASUALTY COMPANY

INCORPORATED 1832

VIRGINIA FIRE AND MARINE INSURANCE COMPANY

Richmond, Va.

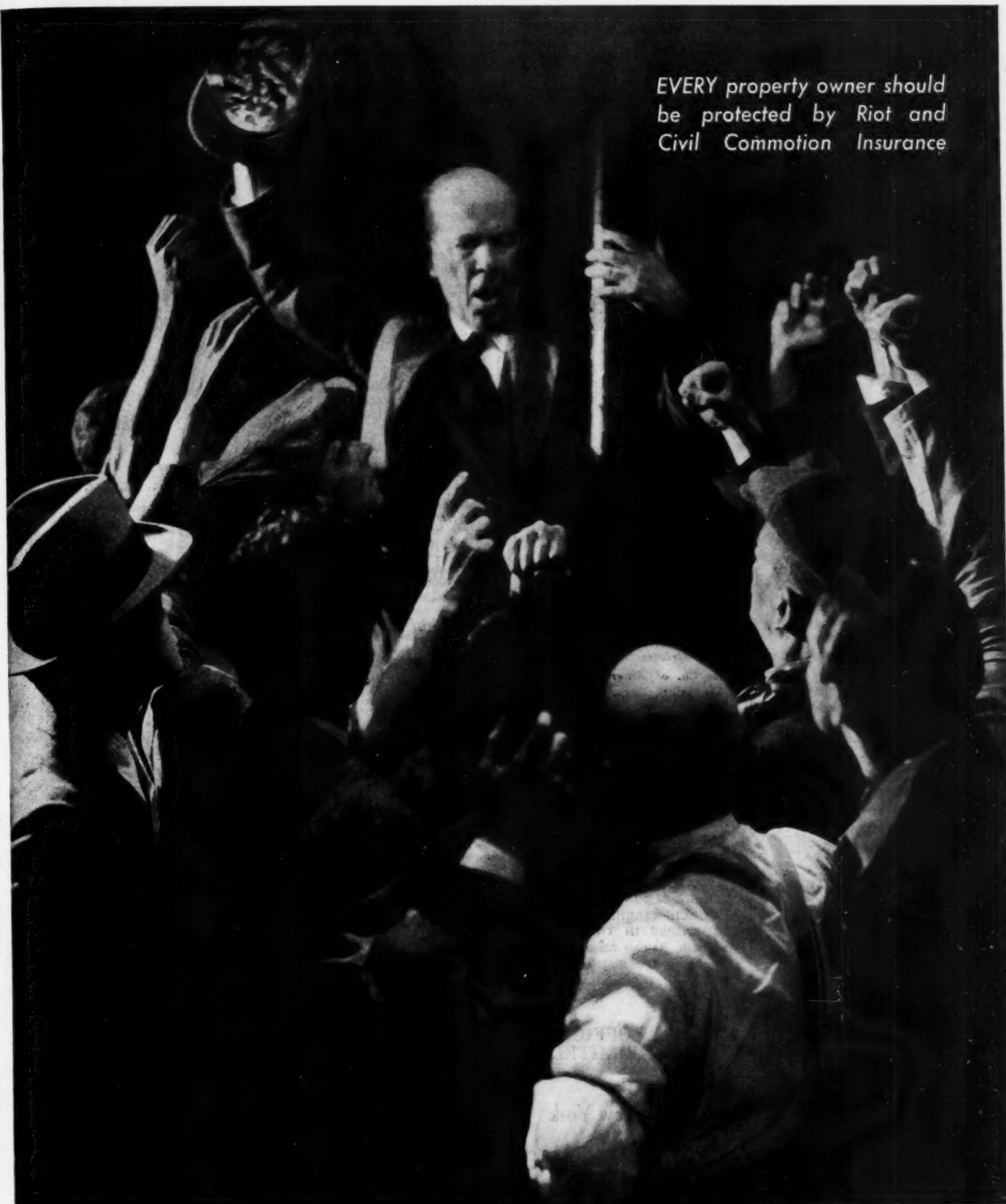
Capital \$500,000

Surplus to Policyholders \$1,671,770

FIRE
SPRINKLER LEAKAGE

TORNADO
AUTOMOBILE INSURANCE

WESTERN DEPARTMENT: 175 W. Jackson Blvd., CHICAGO, J. R. Cashel, Manager



EVERY property owner should
be protected by Riot and
Civil Commotion Insurance

The AMERICA FORE GROUP of Insurance Companies
THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY NIAGARA FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY MARYLAND INSURANCE COMPANY OF DELAWARE

Eighty Maiden Lane,

THE FIDELITY AND CASUALTY COMPANY

New York, N.Y.

ERNEST STURM, Chairman of the Boards
PAUL L. HAID, President
ERNEST STURM, Chairman of the Board
WADE FETZER, Vice Chairman
PAUL L. HAID, President

NEW YORK

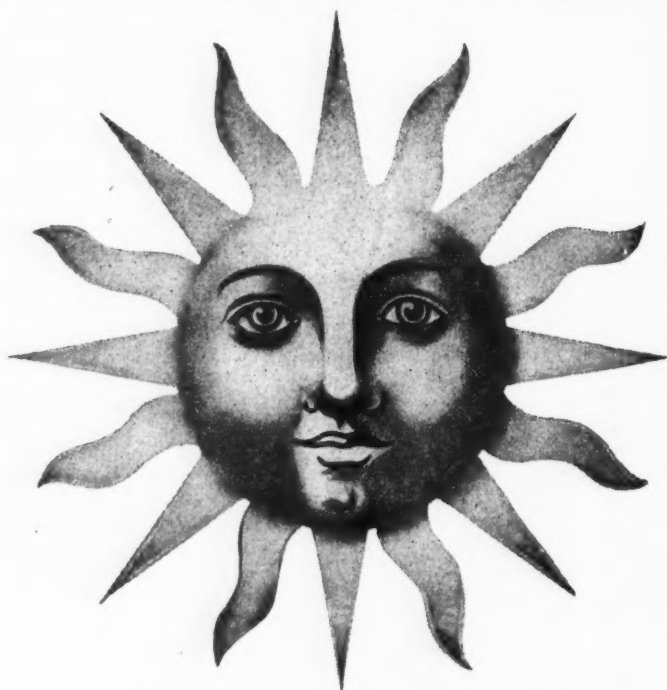
CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL



INSURANCE IS AS OLD AS THE SUN

Keep Your Face Toward the Sun and the Shadows Will Fall Behind You

SUN INSURANCE OFFICE

Limited of London

Established 1710—The Oldest Fire Insurance Company in the World

The SUN of London, established in 1710, (the oldest insurance company in the world) stands out as one of the world's greatest institutions.

The Patriotic Insurance Co. of America, established January 1, 1923, is growing lustily and is entirely at the service of our agents.

FIRE
LIGHTNING
WINDSTORM
AUTOMOBILE
EXPLOSION
RIOT & CIVIL COMMOTION
USE & OCCUPANCY
RENTS & RENTAL VALUE
LEASEHOLD
INLAND MARINE
OCEAN MARINE

TOURIST FLOATER
SALESMEN'S FLOATER
YACHT AND MOTOR BOAT
ALL RISK PERSONAL JEWELRY
ALL RISK PERSONAL FURS
ALL RISK TOURIST FLOATERS
JEWELERS BLOCK POLICIES
PUBLIC LIABILITY
MERCHANDISE IN TRANSIT
via Truck, Rail or Steamer
(Annual or Trip Policies)

SUN INSURANCE OFFICE LIMITED

OF LONDON

Sun Underwriters Insurance Company of New York
Patriotic Insurance Company of America
Sun Indemnity Company of New York

UNITED STATES BRANCH
55 Fifth Ave., New York

O. Tregaskis, Manager, Eastern Department

WESTERN DEPARTMENT
Wrigley Building, Chicago
John F. Stafford, Manager

PACIFIC COAST DEPARTMENT
San Francisco, Cal.
Carl A. Henry, General Agent

MARINE DEPARTMENT
11 South William St., New York
Wm. H. McGee & Co., Inc.,
General Agents

SUN INDEMNITY COMPANY
55 Fifth Ave., New York
F. I. P. Callos, President

GALLEY PROOFS

An interesting study program on life, fire, accident, liability and other forms of coverage has been arranged by Miss Alice Lakey of Newark, publisher of "Insurance" and chairman of the insurance committee of the General Federation of Women's Clubs. The program has been arranged for senior and junior women's clubs and wherever possible speakers can be obtained through Miss Lakey. The purpose of the program is to keep before the members of the women's clubs the financial safeguards for the home through insurance.

President C. W. Higley of the Hanover Fire sent a congratulatory telegram to Henry Ford commending him for putting on full steam at the present time. President Higley's telegram is as follows:

"Your bravery in these times and marvelous citizenship statement appearing in all New York papers most commendable. We congratulate you. It should encourage all industrial and other endeavors."

The other day a prominent New York insurance executive was in Chicago en route to the Pacific Coast. He was taking the Santa Fe train to the far west. He left New York before his copies of THE NATIONAL UNDERWRITER were delivered. By the way, he takes both editions, the fire and casualty and the life insurance. He called up the office and wanted a messenger to deliver the two issues to him in his sleeping car berth. He said that he never missed reading the weekly issues and he would feel lost without them.

President James S. Kemper of the American Motorists and National Retailers Mutual Fire of Chicago in commenting on this year's conditions in his annual report says: "One very favorable aspect in the general situation was the comparative absence of questionable fire losses as contrasted with previous periods of deflation. Usually the loss trend follows closely the general business trend. The fact that this was less true in 1931 than normally is a fine testimonial to the integrity of the present day American business man."

Mrs. Bettie McReynolds won her claim in the Virginia court of appeals for compensation for the death of her husband, Horace G. McReynolds, former employe of the Bristol Builders Supply Company. She had been awarded compensation by the state industrial commission but the decision was appealed. McReynolds died of pneumonia which developed after he had stuck a splinter in his hand while working for the Bristol company. It was held by the commission that pneumonia resulted from infection growing out of the injury and that the injury was received in the course of his employment. Therefore the case was compensable.

John R. Freeman of Providence, R. I., engineer, president of the Manufacturers Mutual Fire and past president of the American Society of Mechanical Engineers and the American Society of Civil Engineers, is the author of a new book, "Earthquake Damage and Earthquake Insurance." This book contains studies of a rational basis for earthquake insurance and also of engineering data for earthquake resisting construction. There are 22 chapters, all dealing with earthquakes and insurance aspects. Mr. Freeman states that the mutual insurance companies under his management have no purpose whatever of invading the broad field of general earthquake insurance. The stock companies write 99 percent of all the earthquake indemnity. The McGraw-Hill Book Company, 330 West 42nd St., New York, is publisher

AMERICAN INDEMNITY COMPANY GALVESTON

J. F. Seinsheimer, President

COMPLETE
AUTOMOBILE PROTECTION
FIDELITY
AND
SURETY BONDS

Desirable
general agency
contracts
available in
unallotted territory

SAFETY
SATISFACTION
SERVICE

Whatever any
other companies
do for their agents
within the bounds of
sound, ethical business
and good underwriting
practice, we will do.

FIRE
WINDSTORM
AUTOMOBILE INSURANCE

AMERICAN INDEMNITY COMPANY GALVESTON

Fire Reinsurance

INTERNATIONAL INSURANCE COMPANY OF NEW YORK

Statement—January 1, 1932

Premium Reserve	-	-	-	-	-	\$3,507,747.13
Reserve for Unpaid Losses	-	-	-	-	-	572,621.99
All Other Liabilities	-	-	-	-	-	140,000.00
Reserve for Depreciation in Securities	-	-	-	-	-	1,000,000.00
CAPITAL STOCK	-	-	-	\$1,000,000.00		
NET SURPLUS	-	-	-	<u>1,214,913.56</u>		<u>2,214,913.56</u>
TOTAL ASSETS	-	-	-	-	-	\$7,435,282.68
SURPLUS TO POLICYHOLDERS	-	-	-	-	-	2,214,913.56

SUMNER BALLARD, *President*

80 John Street - New York

Plan Beautiful Exhibit for Insurance at Chicago

(CONTINUED FROM PAGE 3)

in homes; use of electrical household utensils, the economic waste of fire and a demonstration that much of it is preventable; necessity of adequate insurance to absorb the loss, effects of windstorms and tornadoes.

In casualty, there probably will be some means used to teach the lesson that workmen's compensation is invaluable. Other exhibits may cover automobile accidents from the angle of emphasizing their tremendous increase,

and frequency of losses by burglary, hold-up, personal accidents from many causes, etc., is to be emphasized.

Marine insurance, it is suggested, could be presented in a series of historical exhibits, as this is the oldest type of insurance. Perils of the sea would be one topic. Types of inland marine would be presented; also such coverage as on jewelry and furs, tourist baggage, parcel post, money and securities by registered mail will be brought to public attention.

In the surety and fidelity field it is recognized that some difficulty might be experienced in depicting the idea in a visual display, but it is proposed that

the far-reaching effect of such bonds in their relation to modern business be shown, together with the fact that banks and brokers are protected against forgery, defaulters, loss through dishonest employees, etc. The function of guaranteeing fulfillment of contracts and completion of building projects may be shown through graphs or charts.

The exposition officials state, "In viewing the subject of exhibits dedicated to various branches of insurance, it has been deemed much more desirable to reach the public through the combined efforts of associations and organizations in the different lines of insurance endeavor instead of through separate companies or agencies, inasmuch as the primary aim of A Century of Progress is that of education and not the advertising of any one company or corporation in any line of business."

Estimates as to cost have not been made public but it is assured that the total expense to insurance would be a ridiculously low sum; in fact, only a small fraction of the amount spent individually by national advertisers, and the cost per company would be an inconsequential amount.

It is emphasized that exhibits by individual companies over their names would destroy the basic idea of the exposition, and in addition would make the insurance exhibit a hodge-podge of individual publicity, losing the valuable effect of a simple general exhibit, institutional in nature, which it is believed would be far more effective.

Substitute Plan Is Not Favored

(CONTINUED FROM PAGE 3)

mittee to find just the right man for president.

In well informed circles the confident anticipation is that the president of the Insurance Executives Association will be able to secure before the end of the month, the person to whom tender of the office has been made, he having promised definite decision within that time. Should he conclude to accept the proposition the choice will be acclaimed as one of the best that could possibly have been made, the nominee being a leading official in one of the foremost fire companies in the country; a com-

INSURANCE STOCK QUOTATIONS

By H. W. Cornelius of Morrison & Townsend, 208 South La Salle St., Chicago, as of March 14

Stock	Par	Share	Bid	Asked
Aetna Cas.	10	1.60	41	45
Aetna Fire	10	2.00	30	32
Aetna Life	10	1.20	27	29
American, N. J.	5	.80	10 1/2	12
Amer. Surety	25	...	18	20
Automobile, Conn.	10	...	18	20
Baltimore Amer.	2.50	.40	3 1/2	4 1/2
Boston	100	16.00	360	390
Carolina	10	1.50	16	18
City of N. Y.	100	16.00	145	165
Continental Cas.	10	1.60	16 1/2	18
Continental Ins.	10	2.40	23	25
Fid.-Phenix	10	2.60	26	28
Fire Assn.	10	1.60	8	10
Fireman's Fund.	25	5.00	46	47
Fireman's F. Ind.	20	22
Firemen's	10	1.20	10	12
Franklin	5	1.60	17	19
Glens Falls	10	1.60	34	36
Globe & Rutgers.	100	20.00	245	265
Great Am. Fire.	10	1.60	15	17
Great Amer. Ind.	10	...	9	11
Halifax	10	1.20	14	16
Hanover	10	1.60	22	24
Harmonia	10	1.80	16	18
Hartford Fire.	10	2.00	39	41
Home F. & M.	21	25
Home, N. Y.	10	2.00	21	25
Homestead	10	1.30	13	15
Ins. Co. of N. A.	10	2.50	39	40
Line. Fire, N. Y.	5	1.60	8 1/2	10
National Cas.	10	1.20	10	12
National Fire.	10	2.00	38	40
National Liberty.	2	.40	4 1/2	5 1/2
National Surety.	50	...	12	14
National Union.	50	...	25	35
New Brunswick.	10	1.80	16	18
New Hampshire.	10	2.00	38	42
North River	5	1.00	12	14
N. W. National.	25	5.00	81	86
Occidental	10	...	12	12 1/2
Phoenix, Conn.	10	2.00	50	53
Prov. Wash.	10	2.20	28	30
Public Fire	5	...	2	3
Public Indemnity	5	...	1	2
Rossia	5	...	6	7
Security Fire.	10	1.40	21	23
Springfield F. & M.	25	4.50	72	77
St. Paul F. & M.	25	6.00	112	116
Travelers	100	*22.00	500	525
U. S. Casualty	12.50	...	12	15
U. S. Fire.	10	2.00	21	23
U. S. Fid. & Guar.	10	...	6	7
Westchester Fire	10	2.00	22	24

*Extra dividend paid.

plete master of the business and with all a diplomat of first rank. All these qualities are demanded if the soon-to-be-launched organization proves anything like the stabilizing force in the underwriting world its sponsors hope for.

Fire Premiums in 1931 by Lines

Western, Kan.			Pearl Assur.		
Fire	Prem.	Losses	Fire	Prem.	Losses
Motor Vehicle	\$ 144,699	\$ 141,095	Motor Vehicle	\$ 564,495	\$ 432,674
Earthquake	231,140	132,852	Earthquake	9,335	7,672
Inland Marine	237	...	Inland Marine	3,723	...
Tor.-Windstorm	125	...	Tor.-Windstorm	330	...
Sprinkler Leakage	17,540	2,489	Sprinkler Leakage	12,611	3,418
Riot and Explosion	539	85	Hail	140	75
	1,201	...	Riot and Explosion	1,778	176
				1,605	53
Standard Marine			Illinois Fire		
Ocean Marine	\$ 829,917	\$ 343,369	Fire	\$ 157,035	\$ 74,723
Motor Vehicle	1,893	1,218	Tor.-Windstorm	36,395	2,970
Inland Marine	105,612	34,691			
Security Natl., Tex.			General Schuyler		
Fire	\$ 198,118	\$ 191,737	Fire	\$ 90,873	\$ 3,718
Earthquake	341	...	Motor Vehicle	5,146	2,842
Tor.-Windstorm	24,403	6,120	Inland Marine	2,237	762
			Tor.-Windstorm	2,876	106
Safeguard			Hail	1,070	—66
Fire	\$ 359,340	\$ 202,729	Sprinkler Leakage	138	42
Motor Vehicle	38,999	16,341	Other Lines	690	...
Earthquake	901	...			
Inland Marine	311	73	Fire Reinsurance		
Tor.-Windstorm	23,554	1,801	Fire	\$1,688,503	\$1,679,786
Sprinkler Leakage	172	9	Ocean Marine	46,417	28,602
Riot and Explosion	169	79	Motor Vehicle	79,295	65,928
			Earthquake	21,377	—9
Rossia			Inland Marine	34,322	19,546
Fire	\$3,835,836	\$4,306,080	Tor.-Windstorm	52,177	7,803
Ocean Marine	938,324	574,883	Hail	124,114	43
Motor Vehicle	134,963	120,590	Sprinkler Leakage	2,631	1,984
Earthquake	40,218	95	Riot and Explosion	3,891	1,414
Inland Marine	489,468	268,441	Aircraft	—673	5,575
Tor.-Windstorm	91,227	23,007	Other Lines	351	103
Hail	131,608	124,706			
Sprinkler Leakage	5,835	9,547	Amer. Merch. Marine		
Riot and Explosion	20,237	4,918	Fire	\$ 398,056	\$ 175,739
Aircraft	—2,216	6,985	Ocean Marine	101,153	15,637
Other Lines	878	942	Motor Vehicle	7,870	362
Albany, N. Y.			Earthquake	647	...
Fire	\$ 534,979	\$ 298,997	Inland Marine	18,912	51,685
Motor Vehicle	63,127	37,100	Tor.-Windstorm	21,331	541
Earthquake	2,373	...	Sprinkler Leakage	12,544	833
Tor.-Windstorm	22,206	2,203	Riot and Explosion	1,566	90
Sprinkler Leakage	557	233	Aircraft	49,947	35,257
Riot and Explosion	674	45	Motor Boat	761	8,043

(CONTINUED ON PAGE 33)

PROGRESS



"WILL WRIGHTEN"
PERSONIFIES THE
INTELLIGENT AND
FRIENDLY SPIRIT
OF THIS ORGANI-
ZATION.

Take steps
these steps
to progress

THE YORKSHIRE INSURANCE CO. LTD

LONDON & PROVINCIAL MARINE & GENERAL INS. CO. LTD

SEABOARD FIRE & MARINE AND THE

YORKSHIRE INDEMNITY CO. OF N.Y.

National Inspection Company

Incorporated 1903

This corporation reports on the underwriting aspects of heavy manufacturing and mercantile properties throughout the following states:

Michigan
Wisconsin
Minnesota
Ohio

Indiana
Illinois
Iowa
Nebraska
Missouri

Kansas
Kentucky
Tennessee
Oklahoma
West Virginia

Managed by

J. G. Hubbell

H. B. Chrissinger
176 West Adams St., Chicago, Ill.

R. L. Thiele

**A series of
advertisements
having to do with
the Agent's part
in saving Life
and Property**



**A reduced
number of losses
means
Lower Rates**



Road rudeness makes accidents



SOME drivers are deliberately discourteous and inconsiderate of others on the road. Only strict laws rigidly enforced can restrain their selfishness.

Others are but unconsciously discourteous and are amenable to reason and education.

Agents can help to reduce the appalling toll of death and injury by automo-

bile, by giving all possible circulation to the fundamental rules of road courtesy and safety.

Here are some of the more important ones, culled from the National Safety Council's excellent booklet "Safety-ize!"

Slow up for all turns in the road. Blind corners are dangerous. When it is impossible to see what is coming from around the corner, be prepared to stop. Sound horn a short distance from the corner, as you approach.

Always signal when you expect to stop or turn. If possible signal by extending the arm. If the car body or load prevents persons ahead or behind from seeing arm signals, a good type of mechanical signaling device should be installed on the car.

Headlights should be adjusted

so the beam of light will strike the roadway ahead and not shine in the eyes of approaching drivers. If your lights are not so adjusted, dim them when approaching another car.

Always sound horn and pass on the left when passing vehicles going in the same direction. Pass to the right of street cars and vehicles traveling in the street car tracks. When at street intersections, on curves, or when near the top or brow of a hill, never pass another vehicle going in the same direction.

At street intersections, give

the right of way to the car approaching from your right. Do not presume too much when you have the right of way; perhaps the other fellow doesn't know it.

When attempting to pass another vehicle going in the same direction, start turning out (to the left) at least 75 feet to the rear. If you get up too close, your view of the road ahead is obstructed and you may turn directly in front of another car coming toward you. When you have passed a car do not cut back into the road nor slow down too soon.

Indemnity Insurance Company of North America

PHILADELPHIA

Novel Plan Simplifies Selling U. & O.

A clever idea for presenting use and occupancy insurance was offered at the third of a series of lectures conducted in the Chicago Board auditorium under auspices of the Insurance Brokers Association of Illinois by W. S. Foster, assistant manager western department North America. The sales plan makes use of three old \$1 bills and one crisp new one.

Mr. Foster said the salesman lays down before his prospect one of the old bills, saying that this represents a dollar of investment in the prospect's building, which the agent emphasizes is covered by fire and other insurance. The agent lays down another bill, explaining that this represents a dollar invested in equipment, which also is covered against fire and other hazards. The third old bill is laid before the prospect, and this represents stock, which also is thoroughly covered.

New Bill Represents Profit

The agent then pulls out the new bill and states that this represents the thing for which the prospect is aiming and for which he has building, equipment and stock—his profit. "Why not protect the dollar at which you are aiming,"

Mr. Foster said, "when you thoroughly protect by insurance all your buildings, equipment and stock which produces this profit?"

Mr. Foster said this is a striking illustration of the U. & O. idea and has been used with high success. It simplifies U. & O. and gets away from an involved explanation which may confuse the prospect so that he never will see the main issue. Mr. Foster said U. & O. is just as simple as other insurance. He said it always is written in conjunction with fire insurance and should be considered the same as fire insurance. It closely parallels the property cover in practices.

He urged agents and brokers to quit calling for elimination of the "net profit" restriction. A common request from the field is that companies write U. & O. not on the basis of annual insurable earnings, but on a four or five months' basis. He said the companies must have the same premium to pay partial losses as on the annual basis and the assured is better off to cover for his annual earnings, as he never can tell how long it will require to reconstruct and replace equipment.

He cited cases in which the assured

thought his plant could be put in operation in three or four months but in which the actual time required was as much as 14 months. Strikes, inclement weather and many other factors may crop up. Mr. Foster said that any business risk, either mercantile or manufacturing, is suitable for U. & O., which in itself is desirable for property insurance. He emphasized the profits to be derived from selling rental value cover.

H. H. Thornton in Hospital

H. H. (Pops) Thornton, well known local agent of Pensacola, Fla., is in the hospital at his home city following a serious operation. He was in China last year. He is a faithful attendant at meetings of the state and national agents organizations.

Miscellaneous Notes

E. R. Chew, 80, a resident of Pueblo, Colo., for 50 years and an insurance agent for many years, died recently.

New fire rates for Canon City, Colo., and Lander, Wyo., have been published by the Mountain States Inspection Bureau.

The Citizens Mutual Fire of Richmond, Ind., recently celebrated its 60th anniversary at a reception attended by more than 250 persons. Commissioner Kidd of Indiana and H. P. Cooper, secretary National Association of Mutual Insurance Companies, were speakers.

How to Preserve Depression Told by Ray C. Dreher

Thirteen suggestions on "How to Keep the Depression Fresh and Rosy" are given by Ray C. Dreher in the "Accelerator," which he gets out for the Boston and Old Colony.

Among the suggestions are: Avoid making up a good live prospect list; don't advertise, somebody might want to buy a policy and then what? Don't try to improve your sales talks, just walk up to a prospect and ask him if he wants any insurance today.

Other depression promoters: Never study your prospect's needs; never suggest a new coverage to your old policyholder; never ask a policyholder for a check, he might give it to you. Never read insurance trade papers or company magazines; they may make devilish suggestions which help agents make more money.

Again: Avoid talking to field men; don't consult the advertising and sales promotion department of your company; never tell a prospect about the financial condition of the company you represent. Take your sales manual, lock it up and throw the key away; avoid the voice with a smile when answering the telephone, and remember the good old slogan, "If pleasure interferes with your business, give up your business."

Agency Association Officer Sends Thanks to Field Men

Manager J. D. Saint of the Louisiana Insurance Society, the local agents' state organization, has sent to the field men and general agents covering Louisiana a letter expressing the gratitude of the members for the cooperation that was received during a trying year. Mr. Saint in his letter said the year was filled with vexing problems and amid such swiftly changing scenes it was hard to know at times what was the right thing to do. He declares that the members have tried faithfully to represent the companies. They have fought "balances," "criticisms," "suspense" and what not. He finds that these hardships have brought about a better understanding and closer relation between companies and agents.

In addressing the field men he said: "We have struck snags, we have had to give and take, we have almost invariably found the way around our difficulties. This is largely the handiwork of you men who have exemplified friendship in business." He tells the field men that they have been sympathetic and understanding in helping to improve insurance. He extends an invitation to the field men to be at the annual meeting at Monroe, April 7-8.

Vehicles Omitted, But Covered

Where there is undisputed testimony that agent and assured agree that all of the insured's automobiles are to be covered under a fleet policy, but the actual policy omits certain vehicles, the omitted cars are insured, according to the Michigan supreme court in *Heath Delivery Service vs. Michigan Mutual Liability*.

The insurer contended that the delivery service was not entitled to a decree because of negligence in not reading the policy and checking the vehicles. To this the supreme court responded that the rule requiring a person to read a contract is not a rule of thumb but one of equity and sense. It cannot apply where the undisputed testimony shows the agreement of the parties, that the executed contract does not express that agreement and that the insurer received compensation for the true contract.

THE COLUMBIA FIRE INSURANCE CO.

Dayton, Ohio

ONE OF THE AMERICAN GROUP

Statement January 1, 1932

Capital Stock	\$1,000,000.00
Liabilities	857,180.14
Reserve for Security Values	216,791.00
Net Surplus	1,013,964.89
	<hr/>
	\$3,087,936.03

CONSOLIDATED ASSETS of THE AMERICAN GROUP

Capital	\$ 6,687,480.00
Reserves and Liabilities	23,287,093.90
Net Surplus	6,574,038.40
	<hr/>
	\$36,548,612.30

Security Valuations approved by National Convention of Insurance Commissioners.

WITH EVERYTHING AMERICAN
TOMORROW IS SECURE

FINANCIAL STATEMENT

As of December 31, 1931



RESOURCES

Govt., Municipal and Miscellaneous Bonds and Stocks (computed in accordance with values prescribed by Convention of Insurance Commissioners)	\$ 7,249,550.51
Cash in Banks and Offices.....	810,947.86
Collateral Loans	312,639.72
First Mortgage Real Estate Loans	2,265,467.44
Real Estate	1,295,414.88
Premiums in Course of Collection, not due over 90 days....	2,927,124.92
Interest due and accrued.....	108,165.58
Sundry Assets	777,198.62
Total	\$15,746,509.53

LIABILITIES

Reserve for Claims.....	\$ 7,443,226.88
Reserve for Unearned Premiums	5,794,420.87
Reserve for Taxes.....	250,450.62
Reserve for Unpaid Commissions and Expenses	744,941.67
Capital paid in....	\$1,000,000.00
Surplus over all	
Liabilities	★ 513,469.49 1,513,469.49
Total	\$15,746,509.53



★ Since compilation of this statement **SURPLUS** has been increased to **\$1,013,469.49** by a cash addition of \$500,000.00.

Union Indemnity Company

A DIVISION OF INSURANCE SECURITIES COMPANY, INC.



Detroit Life Insurance Company
La Salle Fire Insurance Company
Union Title Guarantee Company, Inc.

EXECUTIVE OFFICES: UNION INDEMNITY BUILDING, NEW ORLEANS

103 MAIDEN LANE, NEW YORK

NEWS OF THE COMPANIES

Atlantic Mutual Expanding

Old New York Company Is Making Campaign for All Inland Marine Classes

The Atlantic Mutual of New York, one of the old time companies which has entered the inland marine field, is being featured away from New York as it has opened branch offices in Cleveland, Chicago and Philadelphia. It has started writing yacht insurance on the mutual plan, issuing hull and protection and indemnity policies. In addition it covers a yacht owner against obligations incurred under the long-shoremen's and harbor workers' compensation act. The inland marine business is written on the mutual cash, participating plan providing for non-assessable policies. Cash dividends are paid. In January a dividend of 15 percent was declared. The inland marine line is being written at approximately market rates in almost all classes. So far as lines under the jurisdiction of the In-

land Marine Underwriters Association are concerned where rates have been stabilized, the Atlantic Mutual observes tariffs although it is not a member. It is doing business with brokers on inland marine.

Belt Fire Curtails Scope

Los Angeles Company Withdraws from Illinois, and Is Reported Quitting Other Eastern States

The Belt Fire of Los Angeles has withdrawn from Illinois, and is reported to have taken similar action in several eastern states, the explanation given being the difficulty of doing business at so great a distance. The Belt wrote only auto fire lines in these states. In Illinois there was an arrangement with the Belt Casualty of Chicago, under which a combined policy was issued.

Although the Belt Fire writes a regular fire business in the west, it did not elect to do so in the east. It was found the auto fire premiums were not suffi-

cient to make it worth while continuing in the east, although experience is said to have been satisfactory.

Termination of the Illinois arrangement with the Belt Casualty does not affect that company, as it also wrote a combined policy with the Chicago F. & M. department of the Lincoln Fire of New York, and also the Lincoln, whose facilities will be used in states from which the Belt Fire is withdrawing.

Annual Statements Shown

Some Figures from the Royal, L. & L. & G., Queen and Newark Fire Financial Exhibits

The annual statement of the Royal shows assets \$24,620,305, the greater part being in bond holdings. Premium reserve is \$11,186,458. Security valuation reserve is \$3,538,111. The policyholders' surplus based on Dec. 31 values is \$7,965,368. Based on insurance commissioners' convention values, the surplus is \$11,503,479.

The Liverpool & London & Globe shows assets \$20,455,893, increase \$919,186. Cash on hand is more than 40 percent of the policyholders' surplus based on Dec. 31 values. The premium reserve is \$11,035,294, security depreciation reserve \$3,294,598, policyholders' surplus \$4,026,662 based on Dec. 31 values. Based on commissioners' convention values the surplus is \$7,321,260.

The Queen shows assets \$22,428,216. The cash on hand is \$2,020,185 as compared with \$1,227,310 a year ago. The premium reserve is \$8,900,708, security reserve \$3,461,901, capital \$5,000,000, net surplus \$3,532,185 as of Dec. 31 values. According to the commissioners' convention values the surplus would be \$6,994,085.

The Newark Fire has filed its 121st annual statement. The assets are \$9,-

240,246, premium reserve \$3,848,031, security reserve \$1,350,496, capital \$2,000,000, net surplus \$1,373,156, according to Dec. 31 values or \$2,723,652 according to commissioners' convention values. Of its assets \$5,328,432 are in bonds.

Ballard Companies Issue Their Annual Statements

The International Insurance Company of New York, of which Sumner Ballard is president, in its new annual statement shows assets \$7,435,282, premium reserve \$3,507,747, security depreciation reserve \$1,000,000, capital \$1,000,000, net surplus \$1,214,914. Mr. Ballard is United States manager of the Skandinavia and its new statement shows assets \$2,037,635, premium reserve \$930,039, security valuation reserve \$219,137, net surplus \$676,334. Both these companies are prominent in the reinsurance field.

Eagle Star's Statement

The Eagle Star & British Dominions in its annual statement shows assets \$6,135,740, premium reserve \$1,899,259, loss reserve \$812,386, security valuation reserve \$1,216,438, surplus \$2,207,657. The surplus is based on the Dec. 31 market valuation. The United States branch is located at 90 John street, New York and the western department in the Insurance Exchange, Chicago.

Miscellaneous Company Notes

The New Hampshire Fire has been licensed to write automobile insurance in Canada.

The Peoples National Underwriters of the Baltimore American has been licensed in Montana.

The Great American and Great American Indemnity have been licensed in Canada for aviation insurance.

Kansas City Fire & Marine Insurance Company

Statement of Assets and Liabilities
December 31, 1931

Assets		Liabilities	
Real Estate Mortgages	\$ 81,250.00	Reserve for outstanding claims	\$ 5,987.48
Bonds and Stocks*	963,965.00	Reserve for Unearned Premiums	148,184.36
Cash on hand and in banks	112,757.72	Reserve for Taxes	5,700.00
Balance due from Agents (less than 90 days old)	63,662.16	Reserve for Impounded Premiums (State of Missouri)	24,343.85
Accrued Interest on Securities Owned	14,186.51	Reserve for all other Liabilities	24,864.24
Reinsurance Recoverable on Paid Losses ...	3,574.85	Voluntary Reserve	25,000.00
Impounded Premiums deposited with State of Missouri	19,825.85	Capital \$500,000.00	
		Surplus 525,142.16	
		Surplus as regards Policyholders ..	1,025,142.16
	\$1,259,222.09		\$1,259,222.09

*No default in Principal or Interest of any securities owned. Market value of bonds and stocks based on June 30, 1931, prices, as fixed by the Committee on Valuation of Securities, National Convention of Insurance Commissioners.

Officers
CLIFF C. JONES, Chairman of Board
MORTON T. JONES, President
R. BRYSON JONES, Chairman of Exec. Committee
MOULTON GREEN, Vice-President
J. R. SYDNOR, Vice-President
ROY E. WHEELER, Vice-President
JAMES A. RAILEY, Vice-President
O. P. RUSH, Vice-President
CARY W. JONES, Treasurer
R. L. STEWART, Secretary

Directors
H. T. Abernathy, Cary W. Jones
T. E. Braniff, R. Crosby Kemper
Hunter L. Gary, James Ketner
Moulton Green, W. S. McLucas
Sieg. Harzfeld, J. C. Nichols
Cliff C. Jones, J. W. Perry
Morton T. Jones, Joseph F. Porter
R. Bryson Jones, R. L. Stewart
J. R. Sydnor

A Stock Fire Insurance Company
Owned and Organized in the Middle West
Writing Fire, Automobile and Marine Insurance

MANAGED BY

R. B. JONES & SONS INC.

FEDERAL RESERVE BANK BLDG. INSURANCE EXCHANGE
KANSAS CITY, MO. CHICAGO, ILL.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

REINSURANCE PREMIUMS

The fire premiums of reinsurance companies reporting to New York last year amounted to \$38,216,924. In 1930 the figure was \$44,665,683 and in 1929, \$56,900,044. The Lincoln Fire of New York reinsured the Chicago F. & M. It does a direct business in addition to reinsurance. By taking on the Chicago F. & M. liability it had more than it desired and hence reinsured a good part of it. The Skandia, which was purely a reinsurance company, began writing direct in 1930. The reports of premiums for the last two years are as follows:

Company	1931	1930
American Reserve ..	\$1,583,610	\$3,126,365
Baltica	1,129,206	1,381,431
Christiana General ..	967,998	1,230,379
Eagle, N. J.	2,471,051	1,068,211
Fire Reinsurance ..	1,688,503	2,796,881
General, Paris	919,915	306,014
Hamburg-American ..	610,375	1,181,658
International	3,070,999	3,523,412
Inter-Ocean Re	1,908,512	1,644,518
Jupiter General	98,299	32,287
Kyodo	338,672	365,498
Lincoln, N. Y.	1,413,826	2,147,464
Lion, N. Y.	279,887	448,957
Metropolitan, N. Y. ..	619,760	54,808
New India	336,559	422,144
North Star	1,408,238	1,055,020
Pearl	564,495	814,368
Pilot Reinsurance ..	941,755	1,266,358
Prudential Re. & Co. ..	4,040,418	3,972,817
Prudential, Gt. Brit. ..	1,424,658	1,598,837
Re-Salamandra	1,474,280	1,260,143
Rossia	3,835,836	7,680,426
Skandia	1,234,622	931,478
Skandinavia	817,789	1,008,619
Swiss Reinsurance ..	2,433,489	2,956,008
Un. & Phx. Espanol ..	749,756	806,060
Urbaine, Paris	1,955,296	1,610,486

SECURITY-VALUATION RESERVE

An interesting feature of fire and casualty company statements this year is the inclusion among liabilities on the part of the great majority of a special reserve to adjust the difference between security valuations on June 30, as sanctioned by the National Convention of Insurance Commissioners, and the market value of the same securities on Dec.

31. Company officials have no thought of misleading the public by presenting other than dependable figures, and least of all do they desire to fool themselves by inflated values. The wisdom of the course pursued will be attested when statements for 1932 are prepared. The offices that have made proper provision for the great shrinkage in security values during the past 12 months—in the case of not a few offices mounting into millions of dollars—will be markedly the gainer should there be any appreciable advance in security values by Dec. 31 next.

In spite of the severe trials to which fire companies have been subjected the past two years, the business has acquitted itself most creditably. There have been no failures of any importance and such companies as have found it desirable to retire from the field have done so without loss to any policyholder. What other line of business is able to point to a similar record?

NEW YORK EXCHANGE REPORT

At the close of 1931 the New York Fire Insurance Exchange had a membership of 153. There were 225 signatory companies, 52 branch offices and 192 agencies in Brooklyn and Long Island City. It employed 194 people, a decrease of eight from the preceding year. In presenting his annual report Manager H. M. Hess stated that marked progress had been attained in "clarification of the agreement, broadening of forms and rules and in introducing economies in operation."

Notable among the changes in the agreement were those relating to reinsurance; requiring that all companies in the same group be members of signatory of the exchange, affecting head offices, branch offices and Brooklyn agencies.

Rule and form changes were adopted

governing multiple location risks, while forms were approved for demolition insurance and for builders' risk reporting coverage. Rate reductions were effected on apartment houses, non-fireproof specifically rated; on certain types of cleaning and dyeing plants, gas plants and garment manufacturing floaters.

The total receipts for the year, Treasurer Chambers set forth, were \$670,621, which plus a balance of \$16,987 carried over from 1930 made an aggregate of \$687,608. The total disbursements were \$681,765, leaving a balance Dec. 31 of \$5,843.

* * *

LOSS IN PREMIUMS SEEN

With few exceptions, the 51 fire company groups reporting to the New York department experienced a loss in net fire premium income in 1931 as compared with 1930.

The group figures are as follows:

Group—	1931	1930
Home	\$46,304,046	\$54,635,747
America Fore.....	40,086,972	45,073,583
Hartford	29,772,902	30,727,962
Royal	27,927,868	30,879,064
Crum & Forster...	27,340,388	31,432,033
Globe & Rutgers...	23,162,473	24,427,131
Ins. Co. of N. A....	19,565,244	21,801,248
Firemens	19,007,175	20,719,738
Great American...	17,464,840	18,721,366
Aetna	15,848,032	18,894,130
National Conn....	14,075,696	15,865,839
North British	12,497,543	14,213,311
Phoenix, Conn. ...	12,537,374	14,551,550
Springfield	12,240,556	13,081,907
Commercial Union.	11,648,386	12,879,457
Fireman's Fund ...	11,360,188	12,945,333
Corroon & Reynolds	10,112,685	15,782,522
American	9,863,400	11,029,292
St. Paul	7,362,860	7,946,749
Fire Association...	6,875,543	9,003,712
Phoenix Assurance.	6,772,746	6,399,509
Glens Falls	6,133,249	6,519,889
L'don & Lancashire	5,474,221	5,653,445
New Hampshire...	4,948,395	5,213,024
C. V. Meserole....	4,946,297	5,352,639
Automobile	4,459,202	4,487,567
E. G. Pieper	4,423,443	5,330,443
Boston	4,398,530	4,505,101
Agricultural	4,394,633	6,671,442
National Union ...	4,272,748	7,009,530
Prov.-Washington	4,072,255	4,657,944
Svea-Skandia	3,771,066	4,185,674
Security of Conn...	3,759,535	4,336,491
Northern Assurance	3,753,669	5,931,386
Hanover	3,549,535	3,606,818
Sun	3,489,196	3,519,760
Scottish Union ...	3,361,704	4,024,251
Atlas	3,227,003	3,631,591
Merchants	3,044,145	3,030,334
Norwich Union....	2,962,137	3,075,194
Dubuque	2,921,926	2,983,651
Royal Exchange...	2,876,047	3,008,704
London	2,822,567	2,778,958
Yorkshire	2,756,955	2,731,362
Caledonian	2,249,295	2,410,913
Globe Und. Exch...	2,212,860	2,445,990
Lumbermen's	1,830,186	1,660,807
Tokio	1,730,742	1,904,372
J. S. Frelinghuysen	901,295	3,445,759
General of Seattle.	562,641	3,479,546

* * *

TALKS ON BUSINESS PRODUCTION

George E. Bernard, secretary of the Newark Fire, spoke on "Business Production," before the students of the fire class of the Insurance Society of New York Monday evening.

Factory Mutuals' Experience

The factory mutuals showed a 17 percent shrinkage in assets due to decline in market values last year. The loss ratio ran up some but not to a great extent. The factory mutuals are watching their risks very carefully and if an assured appears to be in financial difficulty his line is canceled.

Hail Schools Called Off

The schools of instruction for hail adjusters, which for several years have been held at about this season and a little later in various cities in the hail writing region in the middle west under the auspices of the Western Hail & Adjustment Association, will not be conducted this year. This is an economy measure.

Castleman in Critical State

R. H. Castleman, Kansas state agent of the North British, is reported in a critical condition in St. Francis hospital, Topeka. He received an infection in the leg a short time ago and blood poisoning has developed.

The **Utilities of St. Louis**, the new stock company which took over the business of the Utilities Indemnity Exchange, has been licensed in Illinois to write casualty lines. It has \$200,000 capital.

Fire Reinsurance

SKANDINAVIA INSURANCE COMPANY

United States Branch

Statement January 1, 1932

Premium Reserve	\$ 930,038.58
Reserve for Unpaid Losses	162,125.72
All Other Liabilities	50,000.00
Reserve for Difference Between Convention Values and Market Values of Securities De- cember 31, 1931	219,137.30
NET SURPLUS	676,333.59
TOTAL ASSETS	\$2,037,635.19

SUMNER BALLARD

United States Manager

80 John Street

New York

THE NATIONAL UNDERWRITER

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Claims Paid Popularize Insurance

THERE is no greater sales argument for insurance than to recite what companies are doing in the payment of claims of manifold kinds. There is something convincing in specific instances cited where policyholders and beneficiaries have benefited by these payments. These are personal experiences and the people in the various communities know something about them. Insurance—fire, casualty, marine and life—is set forth as one of the greatest, if not the greatest, contributor to public welfare. The justification of insurance rests on the results that come from its purchase.

THE NATIONAL UNDERWRITER publishes each year a special number devoted to life insurance payments. It has proved a popularizing factor. There is no one event in life insurance that receives so much attention from daily papers everywhere. People are impressed with this number because there are listed various claims that have been paid in thousands of communities. It is surprising the reaction that is received from this issue.

It is a business getting document. It serves to put insurance in a new light. Were this same principle applied to fire, casualty and other insurance claims, insurance would be popularized in its more general aspects.

The payment of insurance means something. It is always a shock absorber. It may alleviate real distress. It comes in a time of trouble. In any event the least that can be said about insurance is that when a claim is paid there is a particular gap that is filled up or stopped. Payment of insurance may mean the saving of a business or preventing a failure or conserving the family resources.

The payment of claims develops new business and makes the people more insurance-minded. We need more publicity on the claim end. It is unfortunate that companies do not bring to the front this great service they have rendered. In many ways their light is being held under a bushel in this respect.

Two Departments Are Separate

Nor long ago there were advocates here and there of the plan of taking into consideration the investment income and profit in rate making practices. In other words, these proponents did not discriminate between the underwriting and the banking departments of an insurance company but considered all income as a proper platform on which to stand in estimating rates. Naturally if investment income and profit be considered as rate making factors, investment loss would have to be entered.

Probably these advocates would not be so eager to press their claims just at present owing to the terrific shrinkage in securities and the large investment losses. If, for instance, companies had

been allowed to take into consideration the investment side of their business, rates would have been boosted mightily on the results shown. The companies have contended that from a rate making standpoint only underwriting operations should be considered. In justice to all concerned that seems to be the logical plan to follow. The decline in security prices and the poor showing on the investment side during the last year or so have certainly proved that the two departments should be kept separate.

"Many adults are invisibly small because they play with toys all the days of their lives."

PERSONAL SIDE OF BUSINESS

John S. Long of Robinson, Wilson & Long, president of the Louisville Board, was operated on for gall stones last week. He is reported to be getting along very well.

Walter Schroeder, head of the Chris Schroeder & Sons Company, has been appointed chairman of the membership committee and vice-chairman of the civic affairs committee of the Milwaukee Association of Commerce, both major appointments.

C. L. Brooks, second vice-president of the Firemen's of Newark, who was transferred from the home office to assume the management of its southwestern department at Dallas, was previously with the Niagara Fire, joining the staff of the Firemen's when the former company was taken into the America Fore fleet in 1929. A southerner by birth and having traveled the field as a special agent for some years, he knows the territory and its particular problems.

Lamar Hill, vice-president and general counsel of the America Fore group, has been on a cruise to the West Indies and stopped at some of the South American cities.

George Brown of Detroit, executive secretary of the Michigan Association of Insurance Agents and president of the Accident & Health Managers Club of Detroit, is a candidate for the legislature. Mr. Brown has served two terms in the Michigan house, being on the house insurance committee both terms.

Charles F. Hobbs, Kansas commissioner, was in a hospital two days last week and has been confined to his home much of the week as the result of an accident which necessitated the amputation of the end of a finger. The coldest weather of the winter hit Kansas last week and Mr. Hobbs was helping adjust a balky motor car engine when he caught his finger under a fan belt. The end of the finger was crushed so that part of it had to be taken off. He was able to be back in his office this week.

S. M. Saufley, former Kentucky insurance commissioner, who recently has been publicity manager of the Inter-Southern Life of Louisville, has resigned.

Nathan Klee, head of Klee, Rogers, Loeb & Wolff of Chicago, died in the Highland Park, Ill., hospital last Thursday morning after an illness of about a month. Mr. Klee took cold. His malady got hold of him, eventuating in grippe. His kidneys were attacked. He suffered severe pain and was taken to the hospital three weeks before his death. He did not become alarmingly ill until the Sunday previous to his death. Last October he went abroad for six weeks. He took a slow boat and enjoyed a good rest. He came back much revived as he had been run down.

Mr. Klee was a native of Germany. He entered insurance with A. R. Edwards, who was a Chicago local agent, March 1, 1885. He became a partner in 1893. The firm name was first Edwards, Morse & Klee and then Edwards & Klee. He established his own agency in 1897 and consolidated his office with B. F. Rogers & Co., May 1, 1902, the firm name becoming Klee, Rogers & Cory. Later it was changed to Klee, Rogers & Co. In 1916 the business was combined with that of Wile, Loeb & Gutman and the title changed to Klee, Rogers, Wile & Loeb. The partners were Mr. Klee, B. F. Rogers, J. M. Wile and J. I. Loeb. Allan I. Wolff entered the firm later on and as Mr. Wile had died the firm name was

changed to that at present, Klee, Rogers, Loeb & Wolff. Mr. Klee was active in philanthropic and charity work. For many years he was treasurer and director of the Jewish charities of Chicago. He was a man of the highest integrity. His companies had the utmost confidence in him. He was able to see their side of insurance operations. He had a well balanced temperament and in his relationships he was always amiable. Mrs. Klee and three sons survive.

The engagement of Miss C. R. Alsop of Avon, Conn., to Percy Chubb of New York City has been announced by her parents. Mr. Chubb is a son of Hendon Chubb, head of the managerial and agency firm of Chubb & Son of the metropolis, and has been connected with the organization since his graduation from Yale in 1931.

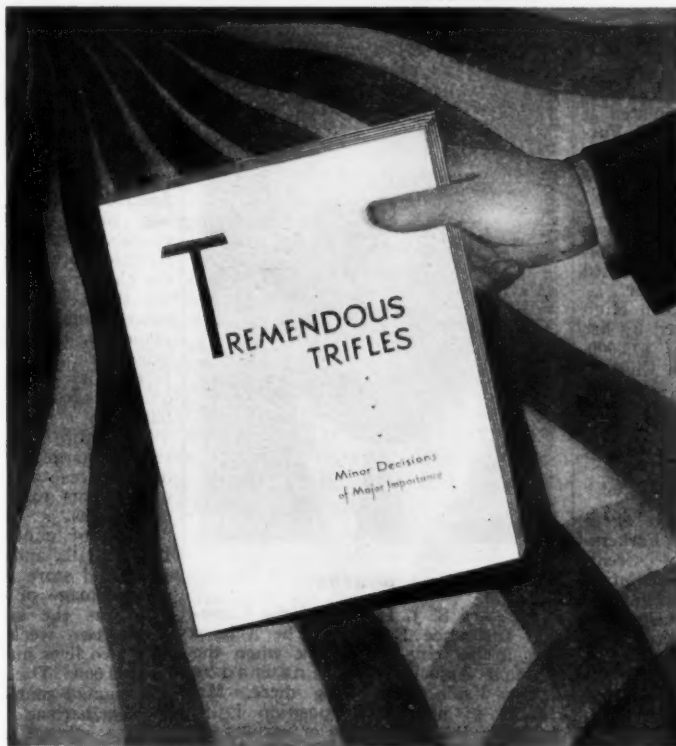
C. H. Morton, local agent of Manchester, N. H., committed suicide last week by shooting himself. He was 48 years of age and had been in insurance for 23 years.

Frank A. Gantert, whose elevation from vice-president and general manager of the Fidelity & Guaranty Fire of Baltimore to the presidency was recently announced, first attracted general attention through his success in developing the Indiana business of the North British & Mercantile, for which he was state agent. His ability as a field supervisor induced his promotion to assistant general agent and then to general agent in its central department, from which post he was called to the vice-presidency of the then newly formed Baltimore company in January 1929.

A close student of the business in all of its many phases, the preparation of policies and forms for Fidelity & Guaranty, all of which work he performed personally, was comparatively easy, as was the selection of a field staff. Knowing the qualities necessary for a successful special agent, he picked his force carefully, with the result that few changes were later found necessary. Appreciating that it is not the number but the quality of local representatives a company has that produces the right kind of business, Mr. Gantert impressed upon his field men the need for care in such direction. The record of the Fidelity & Guaranty Fire the past three years attests the wisdom of the course. Not only is he a judge of desirable business but he knows how to procure it. Time and again he has aided his representatives in lining up choice risks.

The Offenhauser Insurance Agency of Texarkana, Tex., will celebrate its 50th anniversary in April. Its founder, Fred W. Offenhauser, started in the insurance business in an interesting way: He was a clerk in a dry goods store and the town banker, W. A. Kelsey, noticed his beautiful handwriting and decided he would make a good insurance man, since all policies were hand written in those days. Mr. Kelsey financed the agency when it began business in 1882 and four years later Mr. Offenhauser bought the interest of his backer. His brother Henry joined him at that time and has been an active member of the firm ever since. Fred Offenhauser was an active member in the state and national agents associations until his death at the Texas state meeting in 1924. At that time Josh D. Morris, his son-in-law, joined the agency and at the present time he is an equal partner with Henry Offenhauser and Mrs. Fred Offenhauser.

President F. R. Bigelow of the St. Paul F. & M. is in California visiting the managers at San Francisco and important agencies in the state.



*Successor to "Worse Than War,"
a book that rendered a
distinct service*

FACTS that are challengingly presented in the form of figures and charts on America's automobile accident death and injury toll in 1931—that are not only impressive but interesting as well—have just been put together in a comprehensive analysis.

Published under the title—"Tremendous Trifles"—this new book is a successor to "Worse Than War."

The facts on America's automobile accident experience presented in "Worse Than War" were of value to many persons. Thousands of copies were distributed throughout the United States, and more than a million copies of a small edition were supplied to insurance men and the public as a contribution by insurance to the solution of a most serious problem.

The analysis for 1931 is even more detailed, more pertinent, and more suggestive of the fundamental remedy.

THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY

THE TRAVELERS INDEMNITY COMPANY

HARTFORD

THE TRAVELERS FIRE INSURANCE COMPANY

CONNECTICUT

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

Watson Heads W. Va. Pond

Large Attendance at Annual Blue Goose Gathering at Wheeling—Percy Ling a Guest

WHEELING, W. VA., March 16.—W. R. Watson, West Virginia Inspection Bureau, was elected most loyal gander of the West Virginia Blue Goose at the annual meeting here, with a large attendance of ganders from all parts of the state.

John Marsden of Pittsburgh, Providence Washington, was elected supervisor; J. C. Wyckoff, adjuster of Fairmont, custodian; H. D. Stephan, Sistersville, New Hampshire Fire, guardian; C. L. Amick, Wheeling, West Virginia Fire Underwriters Association, keeper; E. L. Karrer, Wheeling, West Virginia Fire Underwriters Association, welder.

A. M. Todd, Wheeling, West Virginia Inspection Bureau, was elected delegate to the grand nest meeting in Jacksonville, Fla., in October, with Edward Eager, Charleston, West Virginia Fire Underwriters Association, as alternate.

Among the visitors were Percy Ling, secretary of the North British & Mercantile and chairman of the West Virginia supervisory committee; B. F. Flood, welder of the Ohio pond, and these other members of the Ohio Blue Goose: R. A. Weldon, Allen Guy and A. E. Douglass. M. C. Speight from the Virginia pond was on hand and R. P. Apperson from Kentucky.

A vaudeville troupe from Pittsburgh provided the entertainment.

Street Called in Conference on Problems in Cleveland

Western Manager C. R. Street of the Great American had a large audience when he spoke at Cleveland last week before the Cleveland Insurance Board. He devoted most of his time to a review of the situation in the excepted cities and took up especially some of the phases of the business at Cleveland. After the meeting adjourned the officers and executive committee of the Cleveland Board asked Mr. Street to go into conference and talk over some of the peculiar problems at Cleveland. This he did and was able to make a number of constructive suggestions.

Buckeye Union Casualty Is Now in Its New Home Office

The Buckeye Union Casualty of Jackson, O., moved Saturday to its new home office at 515 East Broad street, Columbus. F. E. Jones is president; Ira L. Morris, secretary and general manager; F. A. Burgess, treasurer, and F. E. Jones, Jr., vice-president. B. W. Gearheart, former Ohio superintendent of insurance, is one of the directors. Its premiums increased last year 13 percent. Its net premiums were \$679,084. It has \$216,171 policyholders' surplus and \$679,901 assets. The new offices at Columbus were opened Monday morning.

Heavy Losses in Ohio

The intensely cold weather brought a number of big fires in Ohio, losses in which ran well over \$1,000,000. The most serious was that at the National Soldiers Home at Dayton, the quarter-master building being destroyed with

a loss of around \$750,000. There was no insurance.

Fire in the business district of Portsmouth, O., caused damage estimated at \$200,000. It destroyed the Distel Furniture Company, the largest retail store of its kind in Portsmouth, the Webber shoe store and the Brown Derby lunch-room.

A fire wall stopped the fire from spreading into the theater next door, where considerable damage was caused to furnishings by smoke and water.

The Lyceum Theater in North High street, Columbus, was destroyed by fire early Sunday with a loss of \$75,000. Guests were routed from the Chittenden and Rol-Eddy Hotel.

At Van Wert fire caused a loss of \$75,000 to the Stoops Packing Company's plant.

Credit Men Hear Hershberger

J. P. Hershberger, Ohio state agent for the Royal, addressed the Parkersburg-Marietta Association of Credit Men at Marietta, O., on "The Relation of Insurance to the Business Man." It was a lucid exposition of the history of insurance, progressive reduction in rates, analysis of various contracts, including coinsurance and use and occupancy. He emphasized the fact that insurance is the foundation of credit. He advised his listeners to exercise the same judgment in insurance matters as in legal and medical questions. He warned against placing insurance with an agent merely on the basis of friendship. Agents who are reputable and in whom the buyer has confidence should be consulted. He should be permitted to analyze the buyer's insurance needs and contract.

Ralph Richman to Speak

R. E. Richman of the Cincinnati office of THE NATIONAL UNDERWRITER will address the Monday luncheon of the Blue Goose in Columbus April 4 on "The Value to Field Men of Insurance Company Advertising in Insurance Papers."

Lohmeyer College Speaker

Arthur Lohmeyer, state agent of the Aetna, Columbus, this week addressed 400 members of the faculty and student body of Marietta College, Marietta, O., on fire prevention. Some time ago a fire occurred in the laboratory at the college and efforts then were made to have Mr. Lohmeyer address the college on fire prevention work. He warned against carelessness with cigarettes and told how the number of claims had increased as the result of the general use

Will Be Busy Man



S. J. HORTON

Secretary S. J. Horton of the Cleveland Insurance Board will be a busy man in his city next week when the National Association of Insurance Agents holds its meeting there. Mr. Horton in his official position is in charge of the dispatching of various local details.

of cigarettes. He also declared that the emptying of fire extinguishers is a student prank which, if continued, may result in very serious consequences. Mr. Lohmeyer explained what to do to prevent fires and what to do after they have occurred.

Rating Ohio Cities

The Ohio Inspection Bureau has completed the rating of Port Clinton but no change has been made in the classification. A new tariff will soon be issued on Urbana, with no change in classification.

Ohio Notes

F. P. Shumaker, veteran local agent of Chagrin Falls, O., and member of the Cleveland Board, died at his home Friday.

The Ohio Fire Prevention Association, in cooperation with the chamber of commerce and Rotary Club, inspected Lebanon Wednesday.

The Berkeley Company, Martinsburg, W. Va., has been incorporated by C. L. Sackey, W. R. Caskey and J. Roy Nadenbousch.

CENTRAL WESTERN STATES

Bloomington Quiz Is Started

Theory Gains Strength, However, That Three Major Fires in Four Days a Coincidence

Although the possibility of incendiary is being investigated in the three major fires which occurred in Bloomington, Ill., in four days, authorities are pretty well convinced that the series of burnings was a coincidence. At first the idea was seized upon that communists might have been responsible and one theory was that a group of labor agitators might have inspired the burnings

in order to create work. Hearing of this suspicion, some insurance men began consulting authorities on the possibility that the losses might be attributed to riot.

The buildings which were destroyed were the Bon-go amusement pavilion; Jefferson school and Holy Trinity church. Then, a fire was reported in the Normal school at Normal, Ill., near Bloomington, which caused further alarm, but the Normal loss turned out to be nothing more than fire in an accumulation of rubbish, which was soon extinguished. The janitor, whose imagination might possibly have been quickened by the series of fires in Bloomington,

reported having seen a man about the building acting suspiciously.

Investigators are inclined to believe that the church and Jefferson school fires were caused by overheating and defective flues, and the pavilion fire from a cigaret. All of the fires occurred during the coldest days so far this winter and a stiff wind was blowing. The Jefferson school fire started near the roof, which rather discredits the idea of incendiary, and the church fire seems to have started at the point where the flue from the building housing the heating plant communicated with the church. There was no evidence of forcible entry in either the school or the church and taken separately each of the three fires could be explained on other grounds than incendiary. Consequently, the theory of coincidence is being accepted, although Mayor Rhodes, Fire Chief Neal, other city and state officials are investigating other possibilities.

State Fire Marshal Legried has assumed charge of an inquiry into mysterious fires that have cost seven central Illinois towns \$1,000,000 in property losses.

Blaze of undetermined origin swept Lincoln, Ill., and razed a half block of office and store buildings with an estimate damage of \$250,000.

It was the second fire in Lincoln within two weeks. The previous one took two lives and caused property loss of \$200,000. The state fire deputies who investigated said there were indications of incendiary.

Fires whose origin was a mystery were also reported at Champaign, Eureka, Mount Vernon, Gardner and Taylorville, but none was of major proportions.

Fuelbier on Catholic Line

Quincy Agent Tells About Situation as to Insurance in the Diocese of Springfield

L. F. Fuelbier of Quincy, Ill., who gave a report at the recent Springfield meeting of the Illinois Association of Insurance Agents on the status of fire insurance on Catholic church property in the diocese of Springfield, states that he has had a number of letters from agents in the diocese making further inquiry. Mr. Fuelbier claims that he did not state the agents were again getting this Catholic business or that the direct contract written by the American Home Fire had been canceled. He did say that a binder had been put on some of this property in Quincy. He said that the American Home policy is in force and no agent in the diocese to his knowledge has been favored with the reissuance of business which was lost in December, 1930.

Kidd Plans to Give Field Men Preference on Monday

INDIANAPOLIS, March 16.—Commissioner John C. Kidd, appreciating the fact that fire and casualty company field men spend most of the week in the field, with Monday practically the only day they have in their offices at Indianapolis, has sent a letter to all fire and casualty field men advising that they would be given preference on Mondays for interviews in the insurance department. The letter advised that interviews be arranged by telephone and that every effort would be made to facilitate the handling of their work in the department. Mr. Kidd has received a number of letters expressing appreciation for this consideration. Field men often have errands at the insurance department that require considerable

LOYALTY GROUP

TRUE OPTIMISM

True Optimism is Faith; Faith in Humanity; Faith in the Nation; Faith in its Institutions; Faith in Yourself; Faith in the Present; and Faith in the Future.

False Optimism is Hope based on Desire.

Pessimism is compounded of lack of Faith in all that True Optimism is founded upon, and is acknowledgment of unbelief in self, too often coupled with the wish to profit through the misfortunes of others.

History, that Just Judge of Humanity, reads the record and inexorably records the verdict.

The Verdict is, always has been, and always will be that True Optimism is justified and its results proven; that False Optimism cannot last because of its unsound foundation; and that Pessimism cannot prevail, but must ever fail because of its inherent untruth and viciousness.

History records that the world progressed, and was in every way better and more prosperous in the year 100 than in the year 1 A. D.; History records that the world progressed, and was in every way better and more prosperous in the year 1000 than in the year 100 A. D.; History records that the world progressed, and was in every way better and more prosperous in the year 1900 than in the year 1000 A. D.; and History will continue to record the progress of the world, and this record will show the year 2000 in every way better and more prosperous than the year 1900 A. D. It is reasonable to believe, and it is wise to believe, and most people do believe that the year 1931 will be in every way better and more prosperous than the year 1930. Voice, therefore, your belief by word and act and aid it to come true in fullest measure.

Almost two thousand years ago a wise teacher and leader of men said:

"Now Faith is the substance of things hoped for, the evidence of things not seen".

Today Faith is as then. Today, as then, True Optimism is Faith. Thinking men must be and are True Optimists. That individuals have suffered misfortunes in the past and many have succumbed, and that individuals will suffer misfortunes in the future and more will succumb, cannot be denied, but such misfortunes, however hard for the individuals, are after all individual misfortunes and will not, in fact cannot stay the world march of progress and prosperity.

Do not be ashamed of your True Optimism, and do not be afraid to express it because you fear some pessimist may ridicule it and tell you that some day he will say "I told you so". Have courage and make known your True Optimism by voice and deed; make known your Faith in Humanity; make known your Faith in your Nation; make known your Faith in the Future; make known your Faith in Yourself; and make known your Faith that the tide has turned and that Prosperity has its hand stretched to knock at the door, and will surely enter if we but heed it, instead of harkening to cowardly fear.

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PACIFIC DEPARTMENT
San Francisco, California
60 Sansome Street
W. W. & E. G. POTTER, Managers
Ass't Managers
FRED SULLIVAN CHAS. H. GATCHEL

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

time and, by eliminating the waiting period, many valuable moments can be saved.

Argument for Sprinkler Cover

LANSING, MICH., March 16.—An argument for sale of sprinkler leakage coverage was provided Lansing agents during the past week when a loss resulted in a local business block from freezing of sprinkler pipes. The Hudson block, containing three stores and a restaurant on the ground floor, was scene of the damage which will probably total several thousand dollars. A "dry system" was being used in the building but water had evidently settled in sagging portions of the pipe on the third floor. Freezing occurred at several points during the recent cold weather and two broken couplings resulted, flooding the building. Stock of one store was protected by insurance but the other three were not.

Report Made on Evansville

The National Fire Protection Association engineers report, that the fire prevention bureau of the Evansville, Ind., fire department is poorly organized and ineffective. Another serious weakness discovered is lack of a mod-

ern fire alarm system. The engineers have been unable to interest the chamber of commerce in fire prevention work.

Oppose Discontinuing Department

DETROIT, March 16.—Demand that the entire department of building and safety engineering be eliminated from the 1932-33 budget on the grounds that it is a "frill" and an "insurance company racket" was made to the council by R. D. Rood, spokesman for the Home Patriots, an organization seeking reduction of real estate taxes. No action was taken by the council. Insurance men are marshalling their forces to see that the department is not discontinued, with its resultant discontinuation of building inspections and increase in fire hazards. The department requires \$367,000 annually for its operation, of which only \$117,000 comes from the budget.

Detroit insurance men are also concerned over the drastic budget reduction that will force the fire department to reduce its force by 124 men, cutting the efficiency of the department.

Credit Service Successful

LANSING, MICH., March 16.—A general information service which is al-

ready proving its utility is growing out of the limited credit exchange formed by the Lansing Association of Insurance Agents a few weeks ago after adoption of a 60-day credit rule by member agencies.

The association secretary is taking care of the information clearing house. Data in regard to bad physical hazards on fire risks and unfavorable experience on auto risks have already been supplied the membership in numerous instances, in addition to the credit information for which the arrangement was inaugurated. The secretary is building up the service rapidly, it is reported, and the plan is working out more successfully than was anticipated.

Distribute Pierce Booklet

The booklet, "Reciprocal and Inter-Insurance," by C. W. Pierce, vice-president America Fore companies, was distributed to every member of the Michigan Association of Insurance Agents this week with the association's bulletin, "Spotlights."

"Old Timers" to Meet

A meeting of the "Old Timers Club of Indiana" will be held in Indianapolis Saturday evening. Alex R. Monroe is chairman of the meeting and is arranging the program.

Indiana Notes

C. F. Cromwell, who had conducted a successful agency at Frankfort, Ind., since 1894, died recently.

John L. Kiley has purchased the in-

Fire Marshal Wants to Abolish Own Department

INDIANAPOLIS, March 16.—State Fire Marshal Hogston has urged abolition of his own department for economy and efficiency. He says his office and the entire department should be discontinued at the coming session of the legislature. He suggested the inspection work be put under the state building council and arson investigations turned over to a revamped state police force, taken entirely out of politics.

terest of James W. Corbett in the Kiley-Corbett Insurance Agency, Kokomo, Ind.

Mrs. Theresa C. Scott, widow of the late David I. Scott, well known in Indianapolis as an adjuster of losses and contractor in fire loss reconstruction, died at her home there, after four months' illness.

The W. T. Buchanan Co., Ann Arbor, Mich., has been incorporated by W. T. Buchanan, V. M. Buchanan and H. R. Coolay; Hordes & Kauffman, Detroit, by W. Hordes, M. Kauffman and H. Burston, and the F. G. Walter Agency Kalamazoo, by Mr. Walter.

Michigan Notes

Van B. Rudd, for some time with Green & Green of Evansville, Ind., has gone with Marsh & McLennan at their Detroit office.

The Lanphar Agency, Detroit, has been incorporated by Irene N. McLeod, Josephine Arnold and L. T. Jones, and the Isaac Kowu Agency, Holland, Mich., by Isaac Kowu, A. L. VanPutten and Jeanette Mulder.

STATES OF THE NORTHWEST

Taking Milligan Business Hold Five Regional Meetings

Blanco & Wenge of Aberdeen, Have Assumed Charge of St. Paul's South Dakota Plant

Blanco & Wenge, managers, the firm consisting of M. F. Blanco and N. P. Wenge, formerly special agents under Milligan Bros., of Aberdeen, South Dakota, general agents of the St. Paul F. & M., have now taken over the Milligan agency and plant and continue the policy writing office at Aberdeen. When the late A. W. Perry was secretary of the St. Paul he installed Mr. Milligan as special agent in 1897. In 1907 his brother, W. E. Milligan, was appointed special agent and in 1914 the partnership of Milligan Bros. was formed. W. E., died Sept. 5, 1930, and A. F., then continued the work.

A. F. Milligan was deputy postmaster at Aberdeen and while serving in that capacity bought a half interest in a local agency but did not take an active part until 1887. This started his connection with the St. Paul as the agency represented it among other companies. When the late C. B. Gilbert was secretary of the St. Paul he gave Mr. Milligan five counties to work for farm business. Then his field was extended to include the north part of the state and finally was given jurisdiction over South Dakota. The company referred some farm and hail losses and sometimes an agency loss to him for adjustment before he became special agent.

Milwaukee's Cleveland Contingent

MILWAUKEE, March 16.—Accompanying W. B. Calhoun, president of the National Association of Insurance Agents, to its mid-year meeting in Cleveland will be F. J. Lewis, president, and J. G. Grundle, secretary-treasurer, representing the Wisconsin Association of Insurance Agents; B. A. Lehnberg, L. C. Hilgemann and Monroe Porth, delegates from the Milwaukee Board.

North Dakota Federation Schedules Sessions at Grand Forks, Devils Lake, Bismarck, Minot, Jamestown

Under the direction of the Insurance Federation of North Dakota a series of five regional meetings is being conducted this week. Each session includes addresses by a group of insurance men from North Dakota, while Norman M. Paul, Minneapolis, will speak on "Automobile Liability and Other Casualty Lines."

Meetings were scheduled for March 16 at Grand Forks, and Devils Lake, where federation officers were to be elected; March 17, Bismarck and Minot; March 18, Jamestown.

Subjects to be covered and the speakers are: "Business Is Good," Charles Dawson, Fargo; "Farm Insurance Troubles," O. A. Schollander, Fargo; "Mutual Competition," discussion led by Clay D. Smith, Fargo, federation secretary; "How to Secure Favorable Legislation," D. W. Crabtree, Ellendale, and "Federation Activities," J. F. Nichols, Oakes, president of the federation.

Debate Madison Transfer of Schools to State Fund

MADISON, WIS., March 16.—Action on the question of transferring insurance on public schools from stock companies to the state fire fund has been deferred by the Madison board of education so that the school insurance service committee and representatives of the state department may confer. Action will probably be taken at a meeting this week. The insurance involved amounts to \$1,182,300. Policies are written so that one-third expires each year. Insurance on all school buildings amounts to \$4,000,000.

The state fund was defended by Frank Lawton and William Pierstorff before the board of education when R.



PHOENIX ASSURANCE COMPANY, Ltd.

of LONDON

150 William Street, New York

150th Anniversary

Time-tested Depression-proof

An Insurance Company that has endured and prospered for 150 years is a good one to represent.

You can expect such a Company to continue in the future to uphold proper practices and co-operate with its Agents as it has in the past.

One hundred and fifty years means more than age—it means experience, sound and sane judgment, underwriting skill.

PHOENIX INDEMNITY COMPANY

55 Fifth Avenue, New York

Metropolitan Department, 150 William Street

J. Neckerman of the Neckerman agency wanted to know how the state would be able to liquidate in case of a catastrophe. He charged that its reserves are invested in such a way that they could not be readily liquidated. Messrs. Lawton and Pierstorff informed the board that the state has authority to meet any proposal made by stock companies and that the premium on state insurance is 40 percent lower.

H. B. Shier of the Reitan-Lerdahl agency, a member of the school insurance service committee, suggested the board insure fireproof buildings at 30 percent of the value and non-fireproof buildings at 70 percent.

Can Deduct Refunds

MADISON, WIS., March 16.—Attorney General Reynolds holds in an opinion to Commissioner Mortensen, that mutuals, in computing fire department dues on the basis of gross premiums, are allowed to deduct money returned to policyholders at the expiration of the policy, even though such money may have come from investments.

St. Paul Exchange Meets

ST. PAUL, March 16.—Only routine business was transacted at the quarterly meeting of the Insurance Exchange of St. Paul. Proposed changes in the rules were not voted on. The exchange pledged \$300 toward the support of the Minnesota Association of Insurance Agents.

Suggests Duluth Improvements

Engineer Stansfield of the National Fire Protection Association met with the fire prevention committee of the Du-

luth chamber of commerce and recommended additional fire inspectors, a campaign to reduce grass fires, an ordinance prohibiting wooden shingle roofs and early adoption of pending building and fire prevention codes.

Become General Agents

MILWAUKEE, March 16.—F. A. Krehla and Frank J. Krehla have resigned from the Milwaukee Board and will operate as general agents for the Twin City and Citizens. Their local business has been transferred to Joseph G. Hanus of the Joseph G. Hanus agency.

Webster With Herfurth

L. N. Webster, for the past ten years well known in the insurance business in Madison, has become associated with the Theodore Herfurth general agency there. He has had home office and field experience as well as in agency work.

Wisconsin Notes

The **Nellie A. Dolan** agency, Wisconsin Rapids, Wis., has been sold to the R. L. Clarn Insurance Agency.

The **Marathon Mutual**, Wausau, Wis., has been declared insolvent and the insurance commissioner is ordered to liquidate its assets and wind up the business.

The **Manthel Agency**, Milwaukee, has been incorporated by L. Manthel, L. Frazier and L. E. Will and **P. F. Winell & Co.**, La Crosse, Wis., by P. F. Winell, R. B. Horner and V. F. Dane.

The **Wisconsin Fire Prevention Association** will inspect Rice Lake March 24. A public meeting will be held at a dinner in the evening. Field men will talk to the pupils of the high school, the county normal school, three grade schools and one parochial school.

IN THE MISSOURI VALLEY

Shows High Rate Justified

Loss at Ida Grove, Ia., Upholds Rating Bureau's Stand in Refusing to Make Concessions

IDA GROVE, IA., March 16.—Refusal of the rating bureaus to make requested concessions from the high rate charged on a brick veneer building which burned here recently, entailing a loss of around \$50,000, appear to have been justified. Because of the high rate, a brick building built around on two sides of the brick veneer, using the latter building for party walls, finally constructed a fire wall on the exposed sides. This wall saved the exposed structure from being completely wiped out, as well as the rest of the city block. The wall was damaged but the rest of the building and contents were saved, except for some smoke injury. The brick veneer building was erected eight years after the Civil War and was fully insured.

Shenandoah Board Elects

At the annual election of officers of the Shenandoah Association of Insurance Agents, Shenandoah, Ia., the following were chosen: President, John F. Lake; vice-president, Frank Van Buskirk; treasurer, John Cutter.

Row in Omaha Department

OMAHA, March 16.—As a result of sharp criticisms by Nebraska Inspection Bureau officials of the handling of recent heavy loss fires in Omaha, a row has broken out within the department and has spread to the city council. Assistant Chief Hartnett has asked to be allowed to withdraw his resignation recently filed, claiming it was secured by duress, while Chief Cogan says Hartnett should go for the good of the service. Battalion Chief McElligott has

been recommended to succeed him. One councilman declares that the department needs a younger man than Cogan as chief, and another suggests that all members of the department eligible for retirement be compelled to take pensions and make way for younger men. This would remove Cogan and a number of department heads.

Iowa Blue Goose Luncheon

DES MOINES, March 16.—J. P. Ryan, instructor in public speaking at Grinnell College, Grinnell, Ia., spoke at this week's meeting of the Iowa Blue Goose. His subject was "What Is Your Worth?" Gus Hostetler, photographer, is scheduled to speak at next week's meeting.

Building Attendants' Course

A safety and fire prevention course for building attendants is being given every Tuesday evening in Topeka under the auspices of the Topeka chamber of commerce until April 12. The first lecture was given last Tuesday evening.

Insurance Men Seek Office

K. C. Knudson, head of the Nebraska insurance department in 1923-24 and now operating two hail mutuals in Omaha; Lloyd Dort, commissioner 1929-31 and now president of the Fidelity Old Line Life of Omaha, and W. B. Eastman, commissioner 1913-15, are all listed as candidates for the primary nomination for state railway commissioner. Mr. Dort is a Republican and the other two Democrats. Other candidates are Orville A. Andrews, president of the American Indemnity of Lincoln; Harry K. Easton, who runs an agency at Omaha, and Phil H. Kohl, insurance agent at Wayne.

Receiver for Hastings Agency

Walter Knicely has been appointed receiver for the Hoeppner & Uerling

Fire Association of Philadelphia

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Harry G. Casper
Associate Manager

Lawrence C. Larson
Superintendent of Agents

agency, Hastings, Neb. Ernest Hoepner, the senior partner, died in 1930, and the action was brought by his widow for his estate. J. H. Uerling, the surviving partner, in active charge of the business, said that business conditions forced suspension. The firm represents a long list of companies. Mr. Knicely has been connected with W. M. Lowman & Co. agency.

Kansas Veteran Is Dead

Andy Curry, senior member of the Curry & Kennedy agency of Coffeyville, Kan., is dead. He had been in the insurance business for 35 years.

Stock Sales Probed

A grand jury at Omaha is probing the activities of the National Investors, Inc., an insurance stock sales agency, as a result of complaints made by investors. C. O. Talmage of the General

States and John Farber of the Fidelity Old Line were examined as witnesses.

Missouri Notes

York, Fast & Co. is a new local agency at Lamar, Mo.

J. D. Baldrige has formed a new local agency at Carthage, Mo.

E. G. Favorite has purchased and now is operating the former Carrie R. Shepard agency at Warrensburg, Mo.

C. D. Manley, Cassville, Mo., local agent, in business since 1885, was found shot in his office last week.

George D. Markham, head of W. H. Markham & Co., St. Louis, has been reappointed chairman of the charities committee of the St. Louis chamber of commerce.

J. M. Teegarden, who has operated a local agency at Weeping Water, Neb., for 40 years, died there, aged 70. Mr. Teegarden was also a director of the Farmers Mutual of Nebraska.

STATES OF THE SOUTHWEST

Compensation Revision Sought

Executive Board of Oklahoma Insurers Backs Employers' Move for Change in Law

OKLAHOMA CITY, March 16.—The executive board of the Oklahoma Association of Insurers has adopted a resolution further endorsing and pledging support in the efforts of the Associated Industries of Oklahoma to bring to the attention of the governor and employers of Oklahoma the very heavy awards being made in compensation cases in Oklahoma. A committee headed by Secretary R. W. Branch of the Tulsa association has been appointed to make a comprehensive study of the insurance laws of Oklahoma with a view of compiling a complete program to submit to the next state legislature. The resolution declared that "with the knowledge that Oklahoma's insurance laws are obsolete, their supervision handicapped and enforcement defective, the demand presses itself to vote for an early readjustment."

More Cities Get Credits

AUSTIN, TEX., March 16.—Beaumont and Corpus Christi have been added to the list of the larger Texas cities receiving the maximum credit of 15 percent for good fire records, in a supplemental list issued by the state fire insurance board.

Take the American Home

F. M. Highfill, state agent, and Kingston Pickford, special agent, have taken the operation of the American Home Fire for Texas and will handle this company in connection with the Globe & Rutgers. This plan will give the agents of each company the combined facilities of the two companies. The Texas branch office is at 2201 Tower Petroleum building, Dallas.

Receiver for Bankers Lloyds

AUSTIN, TEX., March 16.—A. W. Taber, Austin accountant, has been appointed receiver of Bankers Lloyds, Dallas. The suit filed against the association by the attorney general's department in behalf of the state alleged that the association was "hopelessly insolvent."

Plans for Texas Convention

On recommendation made by the Amarillo Insurance Exchange, the directors of the Texas Association of Insurance Agents have set June 9-10 as the date for the 1932 annual convention of the Texas association in Amarillo. The Herring Hotel has been designated as convention headquarters.

At a recent meeting of the Amarillo Exchange, which was attended by D. G. Foreman, secretary of the Texas association, preliminary plans were made for the convention entertainment. Officers of the Amarillo Exchange are Rolla Cartwright, president; Fancher Upshaw, secretary.

Women Hear Marine Talk

OKLAHOMA CITY, March 16.—F. C. Newcomer, state agent of the Cotton Insurance Association, addressed the Oklahoma City Insurance Women's Association, detailing the benefits and provisions of a marine policy.

May Broaden Membership

SAN ANTONIO, TEX., March 16.—At last week's meeting of the San Antonio Insurance Exchange, an amendment was presented, changing the by-laws to include casualty, surety and marine men in the exchange. A careful survey of all licenses issued to local agents is being made so that the provision of the licensing law may not be abused.

Becomes E. G. Dean & Co.

E. G. Dean of Dallas, Tex., announces the name of the agency of Love, Costa & Dean changed to E. G. Dean & Co. The agency has been owned and managed by Mr. Dean since 1928 and the change is in operating name only. The office is in the Linz building at Dallas.

Board Handles Fair Insurance

DALLAS, March 16.—Insurance on property of the State Fair of Texas will hereafter be distributed among members of the Dallas Insurance Agents Association. The association is to handle the business of the fair on the same basis as that of the city, the park board, city-county hospital system and the county.

Unemployment Drive in Oklahoma

OKLAHOMA CITY, March 16.—C. T. Ingalls, manager Oklahoma Inspection Bureau, has sent out a bulletin to Oklahoma agents requesting their aid in the American Legion unemployment drive. An intensive campaign will be made to clean up, paint and repair homes to relieve unemployment. Mr. Ingalls lists a number of suggestions to property owners to make their premises safe from fire.

Recommendations for Houston

Engineer Bond of the National Fire Protection Association reports that many of Houston's current fire losses are due to incendiary fires. He recommends that the fire marshal and fire investigator's offices be consolidated with

the fire department to secure better coordination of the important functions of fire prevention, inspection and fire investigation work. Some improvements have been made in fire protection. The National Fire Protection Association says they have not materially changed the need for much greater supply facilities and water storage capacity.

Plan Farm Relief Program

WEST MEMPHIS, ARK., March 16.—A meeting of Group 1 of the Arkansas Association of Insurance Agents will be held at Memphis to consider plans for organizing two farm financial corporations. Call for the meeting was issued by Dolph Smith of West Memphis, chairman. One of the proposed corporations, Mr. Smith said, would as-

sist in financing insurance premiums. The other would assist the farmer in obtaining agricultural loans.

Arkansas Approves I. U. B.

Rules and forms of the Interstate Underwriters Board have been filed with the Arkansas insurance department by the Arkansas Fire Prevention Bureau. Thus the only state in which the I. U. B. is not now recognized is Texas. I. U. B. forms but not rates are approved in Mississippi and Louisiana.

Regional Meeting at Lawton

President Ancel Earp has announced the second regional convention of the Oklahoma Association of Insurers for March 23 at Lawton.

IN THE SOUTHERN STATES

Bank Agencies Are Reduced

Louisville Has Three Fewer Offices of This Nature Doing Business in the City

LOUISVILLE, March 16.—Bank agencies in Louisville are three fewer than they were. When the banks and trust companies began taking on insurance departments the old Louisville National Bank & Trust Co., Louisville Trust Co. and Bankers Trust Co. all installed such departments. Later the Louisville Trust and Louisville National merged into one, and now have abandoned their insurance department. The Bankers Trust Co. failed a year ago.

The Liberty Bank & Trust Co. operates the Liberty Fire as a subsidiary, doing the largest insurance business of any agency organization in the Louisville Board. The Fidelity & Columbia Trust Co. has a large non-board agency, and the Lincoln Bank & Trust Co. also has a non-board agency. The First National Bank and Kentucky Title Trust Co. interests control the First National Fire & Marine, doing a local agency business, and representing a board company.

Four are left out of seven banking agency organizations that were doing business three years ago. The Liberty and Fidelity & Columbia are big organizations. The First National has been growing steadily.

Can't Cancel Insurance

MONTGOMERY, ALA., March 16.—Attorney-General Knight has held that the Alabama State Bridge Corporation has no authority to cancel insurance secured under the terms of a contract between the corporation and the trustee for the corporation's bondholders.

Opens Monroe Branch Office

NEW ORLEANS, March 16.—The New Orleans Adjustment Company has opened a branch office at Monroe, La., with Martin F. Miazza in charge as manager. Mr. Miazza has had 12 years' experience and training as an adjuster in Louisiana and Mississippi and is well known in the territory. The company now has branch offices at Shreveport, Alexandria, Baton Rouge and Monroe.

Can Collect Full Year's Tax

MONTGOMERY, ALA., March 16.—Attorney-General Knight has given an opinion to the insurance department that the department has the right to make an insurance company pay the state's privilege tax for the whole year during which it began business in Alabama, although it may have done business only a small part of the year. The opinion referred specifically to a domestic company which was licensed in July, 1928. It holds that the department can

compel the company to pay taxes as if it had operated throughout 1928, based on its volume of business in 1929.

Superintendent Greer said that in view of present general financial conditions he would continue the practice of requiring a new company to pay taxes for only that part of the year during which it operated.

Bodenheimer Mayoral Candidate

SHREVEPORT, LA., March 16.—E. M. Bodenheimer, veteran local agent, who was South Highland's only mayor until it was annexed to Shreveport a few years ago, has announced as candidate for mayor of Shreveport to fill a vacancy. The election will be held April 19. Mr. Bodenheimer, in 10 years as South Highland's mayor, had only five ballots cast against him.

Night Patrol Is Employed

Charlotte, N. C., provides a night patrol in the business district by firemen and it has proven of value in reducing losses due to prompt discovery of fires. Durham also has a special night patrol to watch places where incendiary fires may be expected to occur.

Ask Ruling on Indebtedness

MONTGOMERY, ALA., March 16.—With a view to weeding out objectionable agents, Superintendent Greer last week asked Attorney-General Knight if he has the authority to decline to license agents who are indebted to their companies, and also part-time agents.

Joins Underwriters Adjusting

Ben Wellons, Jr., formerly an adjuster for the Booker & Kinnard agency and later with the J. H. Harrison office, has become a staff adjuster for the Underwriters Adjusting in Louisville. He succeeds C. T. Lawrence, recently transferred to Hastings, Neb.

Liberty Fire's Adjustment Plan

LOUISVILLE, March 16.—The Liberty Fire has discontinued its adjustment department and arranged to have all its losses referred to the Western Adjustment, Louisville office. Manager Nelson arranged for one of his adjusters to call the first thing each morning at the Liberty office and there pick up notations of losses.

Rumors went out to the effect that the companies through the Western had provided the Liberty with a full-time adjuster, located in the Liberty's office. Some agents, until the matter was fully explained, seemed to resent the idea of one agency, merely because it was large, being given an advantage over others. However, Mr. Nelson explained that he would give the same service to any agency, merely that of having an adjuster stop by their offices each morning, pick up their losses, and stay with

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Standard Combination Policy

fire, theft, tornado; public liability, \$5,000/\$10,000; Property damage \$1,000. Flat low rate.

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Statement of Condition, December 31, 1931

ASSETS		LIABILITIES	
Government		Reserve to cover	
Bonds	\$ 687,000.00	unexpired reinsurance	\$1,236,535.01
State and		Reserve for	
Municipal		Losses	344,214.00
Bonds	221,140.00	Reserve	
Railroad Bonds ..	554,500.00	for	
Public Utility		Taxes \$18,000.00	
Bonds	394,360.00	Reserve	
Miscellaneous		for	
Bonds	497,320.00	other	
Railroad Stocks..	225,998.00	liabilities ..	52,000.00
Public Utility		70,000.00	
Stocks	303,146.00	Reserve for	
Bank Stocks	191,100.00	Contingencies ..	30,000.00
Miscellaneous		Capital fully paid.	1,500,000.00
Stocks	681,668.00	*Reserve	
TOTAL		for	
(Convention		market	
Values)	\$3,756,232.90	fluctuations	\$653,673.00
Cash in Banks....	516,777.16	Surplus	527,567.46
Other Assets	56,517.19	Surplus, Con-	
Interest Accrued .	32,463.12	vention Values	1,181,240.46
	\$4,361,989.47		\$4,361,989.47

*(Difference between Convention Values and Actual Market prices of stocks as of December 31, 1931.)

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Vice-President and Secretary

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12

them, until he had gone as far with them as he could for the time being.

After explanation was made most of the agents held that they could see nothing objectionable in the plan. The field club named a committee to investigate and its findings were reported to have been favorable.

Firemen's Tax Bill Passed

RICHMOND, March 16.—A bill levying a tax of $\frac{1}{2}$ of 1 percent of annual premiums on stock fire companies for the benefit of volunteer firemen passed the Virginia legislature the last day of its session.

An agency qualification bill met death early in the session. Another bill which made but little headway was one providing an appropriation to serve as a nucleus of a fund for the state to carry its own fire insurance on state property.

Combat Motor Club Competition

AUGUSTA, GA., March 16.—The Augusta Board is making a vigorous effort to combat the competition of the Augusta Motor Club in writing automobile business. The club has 500 mem-

bers, of the type able to purchase insurance. Scott Nixon, Augusta local agent, was for many years president of the club and through his efforts it was kept out of the insurance business. However, due to conflicting duties Mr. Nixon resigned and immediately the secretary became agent for an automobile writing mutual. Very few insurance men are members and therefore there was not enough strength to prevent its entry into the business.

Kentucky Notes

The **Bernard & Cravens Agency**, Russell Springs, Ky., has purchased the Luttrell & Hale agency of the same place.

Herbert Henderson, Irvine, Ky., has become a member of the Holliday Insurance Agency of Jackson, Ky.

R. G. Ewing, Elkton, Ky., has become manager of the insurance department of the Bank of Elkton.

The **Rose-Wolf Insurance Agency**, Nicholasville, Ky., has been incorporated by W. M. Rose, W. G. Wolf and Maris Rose.

Newton Wall of Hopkinsville, Ky., has purchased a half interest in the recording department of the Tom Jones agency of that city, which has become the Jones-Wall Insurance Agency.

PACIFIC COAST AND MOUNTAIN

Holding Regional Meetings

California Association of Insurance Agents Has Two Scheduled for This Week

A regional meeting for district 1 of the California Association of Insurance Agents, comprising the North Bay territory to the Oregon line was held at Sonoma Mission Inn March 15. John M. Mount of Napa was chairman.

On March 18 a regional meeting is scheduled at Visalia for district 6 which covers the San Joaquin valley from Modesto, south to Bakersfield, of which E. Z. Robbins of Modesto is chairman.

Prior to this meeting those in attendance expect to formulate plans for the organization of the Tulare-Kings County Association. It is felt by the state association officers, regional chairmen and prominent agents of that district, that through the formation of such a "two-county" association closer cooperation and coordination of effort will result.

President P. S. W. Ramsden and Frank Colridge, executive secretary of the state association, will be the principal speakers at the regional meeting.

Will Have to Leave Board

The American Colony, which has appointed Harris & Spear of San Francisco as general agent, will have to leave the Pacific Board as the firm is not a member.

Past Presidents Honored

LOS ANGELES, March 16.—The Fire Insurance Exchange of Los Angeles honored its past presidents by designating its dinner-meeting last week as "Past Presidents' Night." Past presidents attending were W. T. Battelle, R. B. Stephens, C. T. Manwaring, William Stephens, I. O. Levy, H. M. Burgwald, D. W. Pierce, Harry G. Bobey and Eugene Battles.

Unauthorized Agents Plead Guilty

SALEM, ORE., March 16.—A. J. Reed and Guy R. Hibbard have pleaded guilty to the charge of soliciting insurance in unauthorized companies and without license. The court continued the case for sentence until March 23 to give the defendants opportunity to return all premiums collected.

The unauthorized companies were the American Benefit Life of Indianapolis and the Safety Underwriters of Chicago.

Warrants were issued on complaint of Commissioner Averill, who has instituted a statewide campaign against soliciting of business by unauthorized companies. The maximum penalty is \$100 fine or 60 days imprisonment.

Report on Montana Losses

Fires in Montana last year caused damage of \$2,003,469, according to reports of State Fire Marshal Porter. In 1930 the total was \$1,276,572. The increase is attributed to the fact that the fire marshal is now receiving reports from the company adjustment bureaus as well as from fire chiefs.

Loss on buildings was \$1,276,810, with \$5,103,206 insurance carried, and \$726,658 on contents, with \$2,264,938 insurance carried.

Will Take Victoria Trip

When the annual convention of the Washington Insurance Agents League is held in Seattle in the fall, the United Pacific Casualty intends to put on again its famous Victoria trip.

C. B. White has been appointed general chairman in charge of arrangements for the Seattle meeting. An executive committee meeting will be called by President Wallace W. Miller in Wenatchee in May.

Pearce Blue Goose Speaker

W. Stanley Pearce, advertising manager of the Fireman's Fund group, was the principal speaker before the San Francisco Blue Goose March 15. Mr. Pearce, who spent his boyhood on the island of St. Kitts, in the West Indies, discussed "Life in the Caribbean." Welder J. H. Schively presided. The first golf tournament of the San Francisco pond will be held April 23 at Sonoma Mission Inn.

Field Club Hears Fire Official

DENVER, March 16.—Insurance companies and their adjusters were urged to consult with fire authorities before settling claims by P. J. Boyne, chief of the fire prevention bureau, in a talk before the Mountain Field Club. He contended they would save money in doing that. Chief Boyne reported results of the work of his department for the past year, revealing 277 investigations of fires of unknown origin, 17 arrests and four convictions. He believes the moral effect of the work of the department will be to reduce losses from fires.

For the first time in the city's history

the police department has an arson detail. Two detectives have been assigned to the work and will devote their entire time to investigations of fires of questionable origin. This step was recommended to the city authorities by H. P. Ruthenberg, state agent in charge of the Denver arson office of the National Board.

Cady to Be Toastmaster

Earl R. Cady, Bakersfield local agent and vice-president of the California Association of Insurance Agents, will act as toastmaster at the annual banquet of the Fresno Association of Insurance Agents March 29.

Haupt Takes New Post

Fred C. Haupt, until recently vice-president of the Washington General Agency of Seattle, has joined the National Discount Corporation of Seattle as manager of its general agency department. The department was started two years ago and represents the Royal Indemnity, Scottish Union, Central Union and British General.

Talks on Automobile Insurance

SAN FRANCISCO, March 16.—Kenneth M. Brown, superintendent of the city automobile department of the Fireman's Fund, spoke before the associate members of the Fire Underwriters Association of the Pacific here on "Automobile Insurance," touching upon the various coverages, including fleets, buses and truck lines. He reviewed methods of producing this class of insurance which have in the past proved effective.

Suicide Verdict Rendered

A coroner's jury at San Francisco rendered a verdict of suicide in the case of S. J. Johnson, former member of the defunct firm of Mullin, Johnson Co. He was found dead in his garage with the motor still running.

Krieger with Corwin & Co.

Ray Krieger, well known northern California field man, who recently resigned from the Rolph, Landis & Ellis general agency, has been appointed vice-president of the Carl N. Corwin & Co. general agency, San Francisco. Mr. Krieger's experience, covering fire, automobile and casualty, will fit in with the newly established casualty department of the Corwin office, which has just become general agent for the New York Casualty.

Activities Attract Attendance

DENVER, March 16.—The attendance at the meetings of Denver Association of Insurance Agents is on the increase following activities aimed to correct unsatisfactory conditions, ac-

cording to Herbert Fairall, who spoke at a meeting on a proposal of uniform collection and credit methods for the members. Mr. Fairall, Paul Spahr and Archie Begole are members of a committee which has gathered information regarding methods in several cities. These were explained by Mr. Fairall, and after the committee has studied them a method will be drafted for recommendation to the Denver association.

Salvage Value Shown

DENVER, March 16.—The recent disastrous fire at the M. D. Barnett clothing store gave Fred L. Henkel, state agent of the Underwriters Salvage, his first big opportunity to demonstrate the facilities of his organization to the insurance people of the mountain field.

Mr. Henkel's methods of drying, pricing and setting up in lots were praised by many visiting insurance men. He recovered 90 percent of the sound value of the merchandise while 50 percent was a high estimate in the beginning by old-time observers.

Merger Raises Separation Issue

The agency operated by Thomas J. Downen of Pueblo, Colo., for years has been sold to E. D. Green and Summers E. West. It is probable that the separation question will arise in the new agency, as the Downen agency represented the General of Seattle while Mr. Green has represented Rocky Mountain Fire Underwriters Association companies. Mr. West formerly was with the Downen agency.

East Bay Women Hear Ruggles

C. F. Ruggles, Indemnity of North America, spoke to the East Bay Association of Insurance Women in Oakland March 14 on "Theory and Fundamentals of Liability Insurance."

Tells of Theft Bureau's Work

M. L. Britt of the National Automobile Theft Bureau told of the work of his organization at a meeting of the East Bay Insurance Exchange March 14.

Coast Notes

Kessler & Laurie, 200 Smith Tower Annex, Seattle, is a new local agency. Herman Kessler and S. L. Laurie are the incorporators.

John H. Schively, secretary of the Insurance Federation of California, addressed the San Francisco Lions Club on "Insurance."

A. L. Knesel has been appointed state agent of the Richards & Rober general agency with headquarters at Los Angeles and will have charge of southern California.

EASTERN STATES ACTIVITIES

Mutual Premiums Are Shown

Leaders in Income in New York State for Last Year Seen in Returns

The mutual fire companies reported \$72,015,612 premiums in New York last year as compared with \$77,849,704 for 1930. In 1929 their premiums were \$81,737,905 and in 1928, \$78,176,562. The companies reporting the largest amount of premiums in New York are the Arkwright, Mass., \$2,885,415, Boston Mfrs., \$3,758,922, Central Mfrs. of Ohio, \$2,224,457, Fall River, \$1,147,758, Firemen's of Providence, \$2,444,993, Grain Dealers Natl., Ind., \$1,103,322, Hardware Dealers of Stevens Point, Wis., \$2,820,716, Indiana Lumbermen's, \$1,110,488, Lumber Mutual of Massachusetts, \$1,080,747, Lumbermen's Mutual of Ohio, \$1,753,385, Manufacturers Mutual of

Providence, \$1,455,193, Michigan Millers, \$2,313,987, Millers Mutual of Alton, Ill., \$2,329,342, Mill Owners Mutual of Iowa, \$1,594,324, Minnesota Implement Dealers, \$3,288,944, Northwestern Mutual of Seattle, \$4,114,987, Pa. Lumbermen's, \$1,174,420, Retail Hardware Mutual of Minnesota, \$3,455,255, Rhode Island Mutual, \$1,455,193, State Mutual of Providence, \$1,746,232, United Mutual of Mass., \$1,557,339, Worcester Mfrs., \$1,156,998, Blackstone \$1,562,188.

Newport, R. I., Needs Are Shown

The National Fire Protection Association engineers visited Newport, R. I., meeting with the fire prevention committee of the chamber of commerce. It was urged to work for a full time fire department inspector, a drill tower, increase of permanent fire department personnel and further improvements to the present structural conditions of the business district. A state law now gives

SAFETY SIDELIGHTS

One-Third of all Accidental Deaths in the Home Involve Children

Of the 30,000 lives lost each year through accidents occurring in American homes, 9,400 are those of children under 15 years of age. Statistics reveal that more children are injured while in their own homes than during school and out-door play-time. Most of the accidents are caused by burns, scalds, asphyxiation, suffocation, poisons and falls. Sharp-edged tools, unsafe toys and the swallowing of small objects are also common causes.

While parents cannot watch their children's doings every minute in the day, they can do much to eliminate accident causes. Knives, scissors, poisonous substances, matches and other unsafe objects should be kept out of the child's reach. Moreover, the child should be taught to stay away from the gas stove and electric sockets, and not to play on the stairs. As in most accident prevention work, a great deal depends on the training of the individual. This takes time and intelligent perseverance, but what are time and effort as compared to the life of a child?

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proper authority to city officials to condemn and remove buildings constituting fire hazards.

Klein Heads Newark Board

NEWARK, March 16.—Julius Klein, president of Rosenthal & Klein, Newark, was elected president of the Newark Board at its annual meeting last week. Other officers elected were: Joseph C. Thoms, vice-president; Leonard Fuchs, secretary, and Stephen P. Ratchford, treasurer.

The executive committee is composed of Mr. Thoms as chairman, Paul Poggenburg, Walter R. Pruden, Seymour Gross, Bernard Lowy and Charles Simons and the officers.

H. C. Craig Has Resigned

H. C. Craig, for some time city manager at Philadelphia for the Fidelity & Guaranty Fire of Baltimore, has resigned. He was formerly special agent in eastern Pennsylvania for the American Eagle.

Warren Ellis Gives Address

Warren W. Ellis, head of the public relations department of the National Board, addressed the Cumberland County Association of Local Agents at Bridgeton, N. J., Wednesday.

Rochester Fire Loss for 1931

As a result of fires in Rochester, N. Y., last year insurance companies paid \$884,587 as their share of the losses. The figures represent a decrease of over \$300,000 from the record of 1930. The

1931 returns do not, however, R. S. Paviour & Son point out, include the explosion loss in the plant of the Eastman Kodak Co., which was covered under an explosion contract.

Portland, Me., Needs Inspection

The National Fire Protection Association states that the large increase in number of fires in Portland, Me., in recent years signifies the need of better inspection work. It recommends the organization of a fire prevention bureau in the fire department.

Bruns Boosts Community Effort

Frederick V. Bruns, president of the Excelsior of Syracuse, told the men of Dewitt, Syracuse suburb, some of the things which may be accomplished by community organization, at a smoker and dinner Friday night.

Eastern Notes

The Swathel Agency, Stamford, Conn., has been incorporated by F. A., C. E. and J. H. Swathel.

Samuel C. Velsor has opened a new agency at Norwalk, Conn. He was formerly treasurer of the People's Trust Company.

An insurance agency in Newark known as the New Jersey Fire & Casualty Clearing House has been incorporated by Henrietta M. Passero, C. A. Caruso and Evelyn Sargent.

The Motor Vehicle Underwriters, Baltimore, has been incorporated to conduct a general insurance agency by Irving Jacobs, Morris Dorfman and Bernard M. Savage.

IN THE CANADIAN FIELD

Hold Jurisdiction Conference

Controversy Between Dominion and Provincial Departments May Be Settled Amicably

TORONTO, March 16.—The Canadian controversy on insurance jurisdiction is now nearer a possible settlement than for many years past, through negotiation and compromise rather than through court action. A conference was held the past week in Ottawa, where Dominion and provincial governments and company representatives expressed their views.

A new angle, which greatly strengthens the hand of the federal department, is that other provinces are no longer backing up Ontario and Quebec in their effort to establish or enlarge their rights to regulate insurance companies. The Association of Insurance Superintendents of the Provinces of Canada, developed some years ago under the leadership of Ontario, has in the past held out for the utmost in provincial control. Quebec, which for some years held back from the association, is now in the forefront of the battle, having introduced in its legislature a bill for complete control of insurance. As Ontario and Quebec have the head offices or chief agencies of most of the companies operating in Canada, they have had no difficulty in making their insurance departments pay. But in the other provinces the position is different, and in the present financial stress the other provincial governments are not supporting any movement which would require the maintenance of complete machinery for controlling insurance.

The companies are mostly in favor of Dominion control, which means dealing with only one body and set of regulations. In recent years the provinces have endeavored to strengthen their hand through uniform acts, but there has been difficulty in arriving at uniform laws and in keeping them uniform.

It does not necessarily follow that the provinces will drop out of the picture

entirely. Their legal rights to control insurance contracts, agency licensing, etc., have been well established. The main issue is rather that of company control, through incorporation and licensing of companies. Just how far the jurisdiction may be divided, and at the same time duplication of work avoided, can not yet be said.

Pending the outcome of this conference, the new Dominion insurance law, which had already been introduced, in parliament at Ottawa, has been withdrawn. The bills will be redrafted and may be substantially modified.

Offer Comprehensive Policy

The Canadian General and the General have recently placed on the market a comprehensive dwelling policy which covers fire, burglary, robbery, theft and larceny, safe deposit box, robbery outside the premises, legal liability for bodily injuries or death, sports liability, domestic animals and bicycles and tricycles.

Ottawa First in Fire Prevention

Ottawa placed first among cities in Ontario with population of 100,000 or over in the inter-city fire prevention contest, it is announced by the international committee, acting for the National Fire Protection Association. Toronto was second and Hamilton third.

Confer on Automobile Business

WINNIPEG, March 16.—A. H. Stead, secretary of the Dominion Board, Montreal; Frank Lightbourne, Toronto, manager of the Maryland Casualty and president of the Canadian Casualty Association, and John Holroyde of Montreal, Canadian manager of the Commercial Union, have been in Winnipeg conferring with western Canadian managers concerning automobile insurance.

Name New General Agents

R. Y. Hunter of Montreal has been appointed general agent for the province

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FIRE - AUTOMOBILE - WINDSTORM
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of Quebec for the New York Underwriters and World Fire & Marine. The Camden Fire has appointed G. S. L. Retallack of Montreal as Quebec general agent.

Canadian Notes

The Western Underwriters Agency of the Canada Security and the Sprinklered Risk Underwriters have ceased to write business in Alberta.

Alberta has recently amended its re-

quirement as to fees paid by out-of-province mutuals. The former fee of \$300 has been abolished and the fee required of joint stock companies adopted.

The American Alliance has appointed Dunham & Tod of Calgary as general agents for Alberta, succeeding the Quigley Agencies.

The Canadian Institute of Insurance has announced an essay competition, which is open to any resident in Canada. The essay is to be on the history and development of fire insurance in Canada.

MOTOR INSURANCE NEWS

May Restore Michigan Rates

Eastern Carriers Withdraw After Excessive Losses—Commissioner Livingston Comments on Situation

LANSING, MICH., March 16.—Excessive losses on automobile collision business suffered by some of the big eastern fire companies on the basis of the present rates in Michigan have resulted in a gradual abandonment of this business by the great majority of companies which originally undertook to slash rates in May, 1930, Commissioner Livingston told agents of the Auto-Owners, Lansing mutual, in convention here last week.

The commissioner said that, according to information in possession of the department, only about 18 of the National Automobile Underwriters Association companies are now accepting automobile business in this territory on the basis of the present collision and fire and theft rates. About 200 carriers originally cut the rates, the commissioner said. While manual rates were suspended completely in this territory, the N. A. U. A., asserting no jurisdiction here, the general reduction has been 50 percent off the May, 1930, manual on full coverage collision and 25 percent off fire and theft. The commissioner hinted that the situation is likely to mean an early reinstatement of adequate rates.

Interested in New Device

New York Police Official Tells About Instrument Being Employed to Start Locked Car

NEW YORK, March 16.—Acting Captain Dillon of the New York police automobile squad interviewed an alleged automobile thief and asked how he started the locked car. The culprit told him it was done with a spark coil device he had bought "up town." An investigation developed the fact that a manufacturer in Brooklyn is selling these machines wholesale at \$6.50 and that the device permits of an attachment, in a few seconds, to the proper contact points of any car enabling it to be started at once and totally nullifying any safety to owners who have carefully locked the ignition. The police report that they have information that a number of Chevrolet dealers have stocks of these little machines and that no questions are asked of buyers. Director Shedd of the Automobile Underwriters Detective Bureau here says that home-made devices of this nature have been found in the possession of automobile thieves several times but that their regular manufacture and open sale is new and startling. He says further that it is going to be difficult to stop or even to hamper the sale of this device and that the matter is likely to be one of grave concern to the companies.

Automobile Rates Suspended in West Virginia for a Time

NEW YORK, March 16.—J. Ross Moore, manager of the National Automobile Underwriters Association, has

arranged to meet Commissioner Lawson of West Virginia at Charleston April 1 and take up with him the matter of rates for fire and theft covers in the state. Pending a ruling by the commissioner the new tariffs filed several weeks ago, which were to have become immediately operative, have been suspended, agents being instructed to continue collecting the rates previously in force. The total premium income of the stock companies from the cover in West Virginia approximates \$600,000 annually.

Must Pay Receipted Bill

The Illinois appellate court, second district, has held that a receipted bill for repairs to an automobile, if there is no evidence to show that there is any collusion or that the garage is not reputable, is evidence to be considered by the jury as being the ordinary and reasonable amount for the repairs. It was a question of fact, according to the court, for the jury to decide whether they would take this receipted bill as being the amount of damage to the plaintiff or whether they would believe the witness for the insurance company. The case was Bartolucci vs. Fort Dearborn. Judgment was for Bartolucci.

To Liquidate People's Mutual

JUNEAU, WIS., March 16.—An order for liquidation of the People's Mutual Automobile was issued by Circuit Judge Van Pelt on petition of Commissioner Mortensen.

The commissioner alleged that the present liabilities and obligations of the company exceed its available assets and securities by over \$10,000 and that there are 26 suits pending against the company.

The company denied insolvency but admitted it had ceased to write insurance Dec. 15, 1931. An assessment was levied against all policyholders on that date, but not all of the money has been collected.

The commissioner is to take immediate charge of the company's business.

Dixon Again Heads Club

At the annual meeting of the Automobile Superintendents Club of Chicago, R. E. Dixon, Fire Association, was reelected president, the other officers being: A. M. Wagner, Hanover, vice-president; C. O. Goodwin, Great American, treasurer, and E. W. Prodehl, Eagle Star & British Dominions, secretary. The executive committee consists of the officers and F. C. McDiarmid, Aetna; Louis Ollmert, Automobile of Hartford, and Sam Shotwell, New York Underwriters.

Staff Committee in Session

NEW YORK, March 16.—The staff committee of the National Automobile Underwriters Association is in session at Atlanta, and will continue through the balance of the week in an earnest effort to clear up all accumulated matters requiring attention.

Autoist Mutual Figures

The Autoist Mutual of Chicago, which writes full cover automobile insurance, issuing non-assessable policies, has issued its new annual statement showing assets \$563,895, of which over \$500,-

000 are in high class bonds. Its liability claim reserve is \$73,540, premium reserve \$161,768 and surplus \$292,754. The company had a very excellent year. E. E. Hielscher is the secretary.

Recovers Without Reformation

The supreme court of Washington has held that when an applicant for automobile collision informs the agent that his interest is that of mortgagee and does not discover until after the loss that the policy was issued to him as owner, he is entitled to recover without reformation of the policy on the principle of estoppel and waiver if the insurer fails to return or tender to him the premium. The case was Gattavara vs. General of Seattle.

MARINE NEWS

Far Eastern Rates Changed

American & Foreign Insurance Association Publishes New Scale for Strikes, War, Civil Commotion

Another schedule of changes in cover against strikes, riots, war and civil commotion, including confiscation, on goods shipped to and from points in the Far East, is published by the American & Foreign Insurance Association. The rates apply on future shipments of general merchandise (excluding specie, cotton and raw silk) and replace previous advisory rates. They are, per \$100:

To and from: Shanghai, ¼ percent; other ports north of Shanghai, 20 cents; other ports south of Shanghai (excluding Hongkong), 20 cents; Hongkong, 5 cents; Mukden, ¼ percent; balance of Manchuria, ¾ percent; Yangtze river ports not beyond Hankow (direct or including transshipment), ½ percent. Export shipments—Subject to usual 15 days' limit clause; double above rates if subject to 30 days' limit clause. Requests for coverage in addition to 30 days—such extension to be limited to not more than 15-day periods at additional rates.

Import shipments—Subject to warehouse to warehouse clause. On shipments transhipped in China to another port in China, the rate to be arrived at by adding together the rate to the transshipping port and that of the port of destination.

To and from Japan and Manila (direct), subject to warehouse to warehouse clause, 5 cents. Waterborne only—50 percent above rates.

Additional for calling at Shanghai—To or from far eastern ports, 7½ cents; if anchored below Woosung, 5 cents to be returned.

Raw silk (shipped under "on board bills of lading")—From Japan 5 cents; from China, excluding Shanghai, 20 cents.

Comment on Cleveland Board Coinsurance Clause Study

T. F. Baker, manager of the Arkansas Fire Prevention Bureau at Little Rock, in commenting on the exposition of the coinsurance clause gotten out by the Cleveland Insurance Board, states that it is a splendid work but he takes exception to the use of the word "penalty" appearing in the first paragraph. He says:

"To use the word 'penalty' carries the idea of punishment, such, for example, as a forfeiture or a fine, or the loss of some privilege or right. The settling of an insurance loss under a coinsurance or contribution clause, where the loss is of such amount that the clause must be applied in the adjustment, does not punish the insured. The insured has not suffered the loss of any right or privilege, nor been fined or forfeited any sum of money. He simply has collected for the loss in proportion to the insurance bought and in accord with the

Fire Premiums in 1931 by Lines

(CONTINUED FROM PAGE 14)

American Reserve		
Fire	Premiums	Losses
Motor Vehicle	\$1,583,610	\$1,563,605
Earthquake	2,204	7,247
Tor.-Windstorm	4,764	8
Hail	19,253	11,143
Sprinkler Leakage	456	694
Riot and Explosion	2,182	1,938
Aircraft	935	321
	32	1,402
Prudential, Eng.		
Fire	\$1,424,658	\$ 793,670
Motor Vehicle	31,190	13,690
Earthquake	6,178	
Inland Marine	5,724	1,985
Tor.-Windstorm	43,932	6,843
Hail	631	96
Sprinkler Leakage	6,183	3,839
Riot and Explosion	18,182	1,379
Aircraft	5,352	2,946
Kansas City F. & M.		
Fire	\$ 93,810	\$ 32,620
Motor Vehicle	41,270	16,170
Earthquake	27	
Inland Marine	184	3
Tor.-Windstorm	14,465	2,425
Hail	427	
Sprinkler Leakage	172	6
Riot and Explosion	2,484	10
Personal Property	19,778	3,144
Merchants, N. Y.		
Fire	\$2,891,124	\$1,253,732
Ocean Marine	181,314	79,725
Motor Vehicle	289,471	101,357
Earthquake	21,108	
Inland Marine	90,134	29,365
Tor.-Windstorm	152,666	8,830
Hail	61,166	14,809
Sprinkler Leakage	698	19
Riot and Explosion	4,204	2,228
Aircraft	16,510	6,648
Other Lines	1,659	893
Northern, Eng.		
Fire	\$3,402,739	\$1,784,288
Ocean Marine	33,415	14,319
Motor Vehicle	208,279	104,872
Earthquake	14,585	
Inland Marine	328,746	264,652
Tor.-Windstorm	200,058	30,253
Sprinkler Leakage	5,361	2,225
Riot and Explosion	19,034	1,234
Aircraft	23,311	9,424
Pacific National		
Fire	\$ 441,236	\$ 192,602
Motor Vehicle	188,607	70,475
Earthquake	17,826	
Riot and Explosion	270	
Aircraft	49	
Memphis, Tenn.		
Fire	\$ 2,891	\$ 260
Tor.-Windstorm	374	4
Washington, N. Y.		
Fire	\$ 153,022	\$ 81,375
Motor Vehicle	96,369	28,716
Earthquake	507	
Tor.-Windstorm	7,266	480
Riot and Explosion	1,167	
Western & Southern Fire		
Motor Vehicle	61,149	680
General, France		
Fire	\$ 919,915	\$ 399,825
Motor Vehicle	2,418	2,413
Earthquake	3,451	
Inland Marine	15,955	5,008
Tor.-Windstorm	13,512	1,777
Hail	116	
Sprinkler Leakage	2,965	472
Riot and Explosion	2,932	152
Aircraft	357	
Fidelity & Guaranty		
Fire	\$1,520,030	\$ 597,578
Motor Vehicle	1,213,508	626,358
Earthquake	3,741	
Inland Marine	153,881	41,813
Tor.-Windstorm	100,885	8,093
Hail	5,042	1,082
Sprinkler Leakage	2,213	3,428
Riot and Explosion	6,741	953
Aircraft	1,051	224
Fidelity, N. J.		
Fire	\$ 41,527	\$ 15,613
Capital, Cal.		
Fire	\$144,073	\$ 72,105
Motor Vehicle	16,182	7,636
Earthquake	5,172	20
Tor.-Windstorm	424	149
Sprinkler Leakage	181	39
Riot and Explosion	289	27
All Risks Aviation	363	258
Atlas, N. Y.		
Fire	\$2,702,206	\$1,647,141
Motor Vehicle	388,460	239,732
Earthquake	13,226	
Inland Marine	35,891	5,095
Tor.-Windstorm	149,298	14,836
Sprinkler Leakage	3,648	1,561
Riot and Explosion	4,129	307
Aircraft	503	
Atlantic, Pa.		
Fire	\$ 294	\$ 12,483
Inland Marine	343	150
Tor.-Windstorm	739	169
Allied, N. Y.		
Fire	\$ 87,580	\$ 57,445
Motor Vehicle	50,276	9,274
Tor.-Windstorm	2,300	77
Sprinkler Leakage	274	
Keystone Auto., Pa.		
Motor Vehicle	\$ 217,114	\$ 31,148

Mercantile Moral Hazard Fires Now Materializing

Although until recently the depression has been unusual because of the absence of moral hazard mercantile and stock losses, adjusters now are detecting signs of crooked fires in those classes. The loss curve, throughout the country, has taken a decided upward turn in the last few weeks and moral hazard fires involving fairly large amounts of insurance are blamed to a considerable extent.

Adjusters are at a loss to explain this pronounced increase in moral hazard fires. Crooked losses have been expected during the last two years, but, except on farm buildings and city residences they have not materialized. The absence of moral hazard fires to date has been explained on the theory that merchants are so obligated at the banks and to the wholesalers that a fire would accrue only to the benefit of the creditors. It may be that many merchants are simply now turning to the fire insurance avenue of winding up their affairs in preference to bankruptcy proceedings.

contract. In other words, the insurance company pays all that it agreed to pay and the insured stands the remainder, which he had agreed to do. We think to avoid the use of the word 'penalty' in making such explanations is better practice both for the insurance companies and for the insured."

Cooperative Appraisals Now Available on Smaller Risks

Authoritative appraisals at moderate cost are the object of a new plan being launched by the American Appraisal Company of Milwaukee. On the smaller risks sometimes the cost of an appraisal by outside experts is an obstacle. On the new plan of the American Appraisal Company blanks providing for a full description of the risk will be filled in by the assured. These blanks will be gone over by the company's appraisers and the valuations calculated. This saves the assured the cost of the field work in the appraisal, which is always the expensive part of it.

While the blanks are so complete that there is necessarily considerable work involved, this work can be done by the assured or his employees practically as well as by surveyors from outside. The blanks are so complete that an adequate appraisal is provided.

Appraisal fees will be based on the value of the risk and run as low as \$5 for a cost to reproduce up to \$10,000. Cooperative surveys, as they are called, will be made up to a valuation of \$200,000. Above that valuation the company feels that the work should be handled by experts. The cost for a \$200,000 appraisal is \$50.

With so many assureds cutting down their lines many of them cut too low. Local agents often recommend appraisals in order to keep the insurance up to the 80 percent mark.

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Casualty Company Reports

Guaranty & Indemnity, Del.—Assets, \$1,707,605; unearned prems., \$1,075,335; loss reserve, \$175,330; capital, \$100,000; net surplus, \$328,583. Experience:

Prem.	Losses
Fidelity	\$ 44,235 \$ 548
Burglary and theft ..	12,675 6,033
Loan indemnity	1,278,342 1,168,069
Total	\$1,335,253 \$1,174,651

General Reins.—Assets, \$11,822,501; unearned prems., \$2,054,086; loss reserve, \$2,887,651; liability reserve, \$2,213,060; comp. reserve, \$930,551; non-can. A. & H. reserve, \$751,990; capital, \$1,000,000; net surplus, \$1,614,739. Experience:

Prem.	Losses*
Accident	\$ 144,098 \$ 123,747
Health	32,648 36,856
Non-canc. H. & A. ..	171,649 240,034
Auto liability	1,554,047 957,929
Other liability	406,426 157,318
Workmen's comp. ..	322,808 237,299
Fidelity	329,265 260,932
Surety	485,145 1,152,431
Plate glass	34,568 31,764
Burglary and theft ..	328,583 109,003
Steam boiler	117,056 183
Engine and mach. ..	9,930
Auto prop. damage ..	32,117 55,933
Auto collision	22,944 23,938
Other P. D. and coll. ..	52,993 3,679
Credit and sprinkler ..	7,397 10,470
Total	\$4,050,974 \$3,401,571

*Includes loss expense.

Globe Indem.—Assets, \$35,359,508; unearned prems., \$7,905,383; loss reserve, \$2,412,872; liability reserve, \$6,212,210; comp. reserve, \$5,979,565; capital, \$2,500,000; net surplus, \$3,809,548. Experience:

Prem.	Losses
Accident	\$ 417,511 \$ 252,233
Health	120,791 75,796
Auto liability	5,302,816 2,978,863
Other liability	2,341,038 867,797
Workmen's comp. ..	5,811,060 4,168,433
Fidelity	1,096,156 473,092
Surety	894,045 1,325,233
Plate glass	328,223 116,617
Burglary and theft ..	1,051,610 326,458
Auto prop. damage ..	1,755,145 737,184
Auto collision	234,316 120,041
Other P. D. and coll. ..	11,421 20,528
Total	\$19,464,132 \$11,462,280

Income Guaranty—Assets, \$220,624; unearned prems., \$49,731; loss reserve, \$17,493; capital, \$124,100; net surplus, \$21,795. Experience:

Prem.	Losses
Accident and health ..	\$ 343,891 \$ 175,343

Inland Cas., O.—Assets, \$346,215; capital, \$200,000; net surplus, \$146,086.

Inter-Ins. Ex. for Auto Club of Mo.—Assets, \$514,356; unearned prems., \$225,866; loss reserve, \$17,845; liability reserve, \$81,647; capital, \$50,000; net surplus, \$116,690. Experience:

Prem.	Losses
Auto liability	\$ 384,895 \$ 158,240
Auto plate glass	3,668 458
Auto fire and theft ..	73,985 22,779
Auto prop. damage ..	104,782 38,721
Auto collision	61,151 21,972
Total	\$ 628,481 \$ 241,170

Interboro Mut. Indem.—Assets, \$2,668,365; unearned prems., \$297,909; loss reserve, \$34,202; liability reserve, \$436,749; comp. reserve, \$534,397; net surplus, \$932,122. Experience:

Prem.	Losses
Auto liability	\$ 385,515 \$ 122,105
Other liability	78,920 8,274
Workman's comp. ..	421,902 218,889
Auto prop. damage ..	127,518 26,365
Other P. D.	3,396 961
Total	\$1,017,251 \$ 376,594

Lincoln Lloyds—Assets, \$218,780; unearned prems., \$3,359; loss reserve, \$2,546; liability reserve, \$6,125. Experience:

Prem.	Losses
Accident	\$ 81
Auto liability	9,510 6,562
Fire (general)	1,841 3,716
Auto theft	1,841 1,735
Auto prop. damage ..	6,019 2,269
Auto collision	5,111 4,589
Auto fire	1,808 167
Total	\$ 24,370 \$ 19,038

Lumber Mut. Cas., N. Y.—Assets, \$2,182,587; unearned prems., \$326,668; loss reserve, \$27,294; liability reserve, \$259,000; net surplus, \$1,489,525. Experience:

062; comp. reserve, \$926,480 net surplus, \$534,645. Experience:

Prem.	Losses
Auto liability	\$ 178,531 \$ 41,211
Other liability	51,408 4,638
Workmen's comp. ..	741,969 444,729
Auto prop. damage ..	71,469 22,453
Auto collision	9,907 2,101
Other P. D. and coll. ..	3,702 482
Total	\$1,056,986 \$ 515,614

Merchants Indem.—Assets, \$1,512,262; unearned prems., \$209,501; loss reserve, \$7,424; liability reserve, \$124,814; comp. reserve, \$7,756; capital, \$600,000 net surplus, \$457,483. Experience:

Prem.	Losses
Accident	\$ 1,842 \$ 2,950
Auto liability	315,468 138,072
Other liability	27,404 3,281
Workmen's comp. ..	3,324 1,438
Plate glass	13,634 2,866
Burglary and theft ..	10,118 1,258
Auto prop. damage ..	14,784 1,742
Other P. D. and coll. ..	4,469 678
Total	\$ 391,543 \$ 152,285

Intern. Fld.—Assets, \$1,615,528; unearned prems., \$63,522; loss reserve, \$31,780; capital, \$300,000; net surplus, \$1,200,312. Experience:

Prem.	Losses
Fidelity	\$ 119,434 \$ 53,568
Surety	11,084 21,205
Total	\$ 130,518 \$ 32,362

Merch. Mut. Cas., N. Y.—Assets, \$3,796,984; unearned prems., \$1,337,781; loss reserve, \$70,253; liability reserve, \$1,150,217; comp. reserve, \$372,652; net surplus, \$568,176. Experience:

Prem.	Losses
Accident	\$ 8,366 \$ 7,677
Auto liability	2,578,928 1,264,870
Other liability	54,641 12,070
Workmen's comp. ..	685,660 319,908
Plate glass	15,184 4,077
Burglary and theft ..	12 255
Auto prop. damage ..	825,500 334,123
Auto collision	61,269 20,701
Other P. D. and coll. ..	3,541 146
Total	\$4,233,101 \$1,963,317

Ohio Casualty—Assets, \$3,204,645; unearned prems., \$1,338,676; loss reserve, \$214,970; liability reserve, \$455,124; capital, \$600,000; net surplus, \$514,516. Experience:

Prem.	Losses
Accident	\$ 13,811 \$ 5,356
Automobile	2,498,649 1,030,673
Other liability	56,320 16,891
Fidelity	48,335 5,008
Surety	143,537 74,120
Plate glass	92,637 36,203
Burglary and theft ..	45,548 15,193
Other P. D. and coll. ..	2,949 1,083
Total	\$2,901,786 \$1,184,527

Pacific Employers—Assets, \$1,383,622; unearned prems., \$132,373; loss reserve, \$7,984; liability reserve, \$32,136; comp. reserve, \$586,200; capital, \$300,000; net surplus, \$151,624. Experience:

Prem.	Losses
Accid. and health	\$ 1,504 \$ 204
Auto liability	110,053 41,383
Other liability	8,530 9,776
Workmen's comp. ..	1,103,522 628,167
Burglary and theft ..	42,166 6,557
Auto prop. damage ..	33,552 10,446
Auto collision	37,298
Other auto	32,146 19,646
Total	\$1,368,771 \$ 725,369

Pennsylvania Cas.—Assets, \$356,566; unearned prems., \$104,080; loss reserve, \$18,600; capital, \$175,000; net surplus, \$47,430. Experience:

Prem.	Losses
Accident and health ..	\$ 100,125 \$ 59,908
Auto liability	108,036 42,400
Total	\$ 208,161 \$ 102,308

Texas Employers—Assets, \$2,344,342; unearned prems., \$453,740; comp. reserve, \$1,278,456; net surplus, \$500,528. Experience:

Prem.	Losses
Workmen's comp. ..	\$2,060,252 \$1,670,342

Virginia Surety—Assets, \$267,935; unearned prems., \$4,890; capital, \$250,000; net surplus, \$13,044. Experience:

Prem.	Losses
Fidelity	\$ 398
Surety	4,492
Total	\$ 4,890

United British—Assets, \$2,446,853; unearned prems., \$330,788; loss reserve, \$338,301; liability reserve, \$379,167; comp. reserve, \$111,323; capital, \$800,000; net surplus, \$391,152. Experience:

Prem.	Losses*
Accident	\$ 77,191 \$ 55,547
Health	17,611 13,425
Auto liability	281,755 147,084
Other liability	76,024 20,465
Workmen's comp. ..	71,092 34,334
Fidelity	82,604 31,915
Surety	138,623 133,807
Plate glass	21,791 15,617
Burglary and theft ..	53,161 19,502
Steam boiler	14,529 21
Engine and mach. ..	9,023
Auto prop. damage ..	9,074 23,066
Auto collision	3,171 6,472
Other P. D. and coll. ..	16,315 1,438
Total	\$ 871,964 \$ 502,693

*Includes loss expense.

United States Casualty—Assets, \$9,857,147; unearned prems., \$2,531,814; loss reserve, \$589,522; liability reserve, \$2,067,572; comp. reserve, \$1,443,701; capital, \$750,000; net surplus, \$1,100,000. Experience:

Prem.	Losses
Accident	\$ 512,532 \$ 366,494
Health	255,940 239,425
Auto liability	2,374,065 3,047,774
Other liability	833,469 500,329
Workmen's comp. ..	1,582,618 1,505,914
Fidelity	187,689 31,080
Surety	370,401 190,123
Plate glass	169,889 85,375
Burglary and theft ..	274,922 132,305
Auto prop. damage ..	756,698 568,987
Auto collision	83,072 90,162
Other P. D. and coll. ..	25,700 6,709
Total	\$7,426,996 \$6,764,677

Washington National—Assets, \$2,420,730; unearned prems., \$132,146; loss reserve, \$135,983; capital, \$600,000; net surplus, \$500,000. Experience:

Prem.	Losses
Accident and health ..	\$5,111,839 \$2,202,983

West American—Assets, \$1,129,242; unearned prems., \$497,655; loss reserve, \$70,755; liability reserve, \$9,750; comp. reserve, \$1,425; capital, \$250,000; net surplus, \$228,811. Experience:

Prem.	Losses
Auto liability	\$20,692 \$ 12,790
Workmen's comp. 674
Auto, all lines	983,980 609,150
Total	\$ 963,288 \$ 622,615

Western States Lloyds—Assets, \$91,872; unearned prems., \$13,941; loss reserve, \$2,436; net surplus, \$95,285. Experience:

Prem.	Losses
Fire	\$ 1,423
Auto liability	171
Auto fire	9,843 \$ 2,244
Auto prop. damage ..	66 13
Auto collision	420 5
Other P. D. and coll. ..	17,905 7,596
Total	\$ 29,831 \$ 9,859

Chicago Lloyds—Assets, \$2,874,846; unearned prems., \$382,213; loss reserve, \$112,656; liability reserve, \$103,890; net surplus, \$2,144,791. Experience:

Prem.	Losses
Fire	\$ 410,594 \$ 308,459
Hall	65,838 12,450
Windstorm	32,502 215
Sprinkler Leakage ..	265
Earthquake	15
Inland transport	23,398 15,075
Riot & civil com.	72
Accident	6,228 4,592
Auto fire	20,956 11,791
Auto theft	40,905 39,277
Auto collision	21,911 16,204
Auto prop. damage ..	81,622 37,719
Auto public liab.	265,025 138,102
Auto tornado	201 6
Auto chauff. coverage ..	22
Auto plate glass	230 404
Auto towing	2,011 567
Credit	12,492 29,749
Fidelity	1,709 1,462
Fraud bond	2,231 1,313
Fur	13,577 9,643
Householders' comp. ..	2,350 261
Patent	2,146 538
Plate glass	1,011 979
Stock burglary	32,776 19,881
Total	\$1,040,099 \$ 649,102

Southern Lloyds, Tex.—Assets, \$197,907; unearned prems., \$69,832; loss reserve, \$17,477; net surplus, \$108,903.

Consolidated Indem.—Assets, \$6,205,505; unearned prems., \$1,278,237; loss reserve, \$736,684; liability reserve, \$1,106,497; comp. reserve, \$108,615; capital, \$1,200,000; net surplus, \$1,148,567. Experience:

200,000; net surplus, \$1,148,567. Experience:

Prem.	Losses
Auto liability	\$1,875,371 \$ 677,435
Other liability	150,623 73,511
Workmen's comp.	198,229 159,478
Fidelity	42,102 46,939
Surety	1,030,680 797,765
Plate glass	32,222 27,560
Burglary and theft ..	56,623 35,969
Forgery	4,090 2,207
Auto prop. damage ..	661,678 249,996
Auto collision	38,010 30,812
Other P. D. and coll. ..	10,519 3,498
Total	\$4,141,972 \$2,100,755

Employ. Mut. Cas., Ia.—Assets, \$1,129,972; unearned prems., \$377,535; loss reserve, \$28,635; liability reserve, \$229,674; comp. reserve, \$232,909; net surplus, \$206,099. Experience:

Prem.	Losses
Accident	\$ 1,283
Auto liability	277,402 145,894
Other liability	37,592 9,724
Workmen's comp.	366,151 259,808
Plate glass	2,949 1,119
Auto burglary and theft, fire tornado ..	54,162 25,712
Auto prop. damage ..	138,138 51,120
Auto collision	35,190 23,194

THE EUROPEAN GENERAL REINSURANCE COMPANY, LTD.

Twenty-First Annual Statement United States Branch December 31, 1931

ASSETS		LIABILITIES	
Government Bonds	\$ 1,144,610.35	Reserve for Losses (other than Liability)	\$ 3,446,868.10
Municipal Bonds	260,000.00	Reserve for Losses (Liability and Compensation)	2,842,852.79
Railroad Bonds	3,258,949.80	Reserve for Unearned Premiums	4,759,036.22
Public Utility Bonds	4,671,622.92	Reserve for Commissions	480,029.98
Miscellaneous Bonds	447,001.25	Reserve for Taxes and Other Expenses	341,124.80
Railroad Stocks	551,013.25	Reserve for Depreciation of Securities	2,247,098.59
Public Utility Stocks	1,983,318.51		
Miscellaneous Stocks	915,867.50		
Security valuations approved by the National Convention of Insurance Commissioners.			
Mortgages	1,217,060.00		
	\$14,449,443.58		\$14,117,010.48
Premiums in course of Collection (not over 90 days)	1,171,100.22		
Interest Accrued	157,280.84	Surplus (including Deposit Capital \$850,000.00)	2,500,000.00
Cash in Banks and in Office	700,707.11		
All other Assets	138,478.73		
	\$16,617,010.48		\$16,617,010.48

Surplus Based on December 31st, 1931, Market Prices, \$2,120,000.00

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THEODORE L. HAFF
United States Manager

CLARENCE T. GRAY
Ass't United States Manager

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The National Underwriter

March 17, 1932

CASUALTY AND SURETY SECTION

Page Thirty-seven

Depository Bond Commissions Cut

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CLASS IS UNPROFITABLE

Acquisition Cost Conference Decides That Action Must Be Taken to Reduce Deficit

NEW YORK, March 16.—Effective April 1 commissions on depository bonds the country over will be 15 and 20 percent; the latter figure to general agents and the former to all other business producers. At present the scale is 20, 25 and 30 percent graded respectively to local agents, district agents and general agents. The revised scale was determined upon by the Fidelity & Casualty Acquisition Cost Conference nearly a month ago. All companies writing depository bonds have suffered severely on the class by virtue of the several thousand bank failures that have taken place in different parts of the country since the fall of 1929. The profits of one important office with the line for the preceding 10 years have been more than wiped out by its losses in the past 28 months.

Several Companies Quit Writing

So severe has been the experience that several companies have ceased granting depository bond covers at all. Others have ceased as to certain territories and types of banks. All have sharply curtailed their commitments, finding it impossible to secure adequate reinsurance and being unwilling to assume large individual liability. While agents generally will not relish the commission reduction, the great majority will doubtless appreciate that a half loaf is better than none realizing as they must realize the drain to which their companies have been subjected with the business. They were confronted either with getting more nearly adequate rates and at reduced cost, or withdrawing from the line altogether.

Rates on depository bonds range from from one-half of 1 percent to 2 percent on the amount of the deposit, graded according to the capital and surplus of each individual bank and as to territory.

During 1930 the companies paid depository losses of over \$11,000,000 on a premium income from the line of about \$5,000,000. Complete figures for the past year are not yet available, but the fair assumption is that the 1931 record was even worse than that of the preceding 12 months.

PROTEST CONTEMPLATED

The Surety Association of Chicago Tuesday elected a committee to draft a resolution of protest against reduction

(CONTINUED ON PAGE 45)

Rights of Insurance Men Are Voiced by Richardson

BOSTON, March 16.—Frederick Richardson, United States manager General Accident, spoke at the annual luncheon of the Insurance Brokers Association of Massachusetts last week on the relations of insurance companies to insurance departments and the compulsory automobile liability law of Massachusetts.

Mr. Richardson delivered his address with an intensity and depth of feeling that deeply impressed all who heard him. As a combined result of his efforts and a temporary indisposition he was unable to finish his message, so the concluding part of his address was read by Edward C. Stone, United States manager Employers Liability, while Mr. Richardson left the room to recover. Following the meeting Mr. Richardson was able to rejoin the gathering.

Prominent insurance executives and others were seated at the head table, including A. E. Linnell, deputy insurance commissioner, who spoke briefly; John W. Downs, counsel Insurance Federation, who spoke on legislative matters; Chester W. McNeill, president Massachusetts Accident; Valliant W. Kenney, president Boston Life Underwriters Association; Harold A. McKenna, president Insurance Society of Massachusetts; Samuel S. Perry, vice-president Massachusetts Bonding.

At the outset of his talk, Mr. Richardson presented a bill of rights for adoption in Massachusetts:

"1. That we be permitted to practice our profession or business without let or hindrance provided the performance thereof is not offensive and harmful to the common weal according to universal principles of law.

"2. That no theories of government be applied to our profession or business which are not universally applied to other professions and businesses.

"3. That our remuneration be not reduced by enactment or departmental fiat below the customary scale, by which we mean the scale of insurance commissions effective in other states of the Union.

"4. That no taxes be levied upon insurance premiums in excess of the amount actually required to cover the cost of reasonable supervision and administration.

"5. That whereas a supervisory power over the premium rates which may be charged is now a recognized function of government, it is contrary to sound constitutional principles to refuse such modification of rates as may be proved by the instrument to be necessary to enable the carriers to discharge the obligations undertaken, and that to force them to choose between abandoning their valuable organizations in the state or to continue with a highly

(CONTINUED ON PAGE 45)

Optimistic View of Air Insurance

Bad Impression of Industry Result of Promoters' Activities

OPINION OF G. L. LLOYD

Barber & Baldwin President Says Aviation Has Made Impressive Progress in Last Four Years

NEW YORK, March 16.—G. L. Lloyd, president of Barber & Baldwin, aviation underwriters, points out there exist certain facts and figures which justify a far more optimistic view of conditions in aviation and aviation insurance than that presented in an article in THE NATIONAL UNDERWRITER of Feb. 11.

Referring to that article, Mr. Lloyd draws attention to the vast difference between aviation concerns which, during boom years, paid more attention to their own problems than to finance, and those enterprises which were merely launched by promoters to take advantage of the public's craze to get in on what it thought was the ground floor of a rapidly expanding industry, as the latter type gave a general impression of unsoundness to the industry as a whole.

Affected by Promoters

"Aviation suffered more at the hands of promoters than any other business," Mr. Lloyd said, "but in spite of that, it has progressed during the past four years in an impressively sound fashion.

"With regard to the statement that aviation premiums had dropped as much as \$3,000,000 between the years 1929 and 1931, I would say a more accurate estimate of the total business written in the last few years would be: 1928, \$2,500,000; 1929, \$4,000,000; 1930, \$3,500,000; 1931, \$3,000,000—a drop of only \$1,000,000 as between 1929 and 1931.

"With regard to the statement that in 1931, loss ratios in this class of business increased, we do not know what the general results have been, but our loss ratios all show a substantial improvement.

Subsidies Are Higher

"As far as government subsidies are concerned, they have increased and not diminished. Thirty-five percent more in dollars was paid to airmail contractors in 1931 than in 1930. Some individual contractors received less per pound carried last year, but this only means that the revenue from the government is more evenly distributed over all. Some contractors made more money in 1931 than in 1930, while so far as we know, none of them are losing money on the present basis. The government has reduced the scale of payments, but that was to be expected, as airmail contractors have been able, at the same

(CONTINUED ON NEXT PAGE)

Liquidation Order Is Sought

NEW YORK, March 16.—An order to show cause why the Southern Surety should not be taken over for liquidation by the insurance department will be heard in court this morning, Superintendent Van Schaick having petitioned to that effect.

Examination of the company as of Dec. 31, 1931, reveals admitted assets of \$5,396,918, with liabilities of \$5,951,571, or an excess of liabilities over assets of \$554,653. The petition asks authority to take over the company for liquidation at once, holding delay would be prejudicial to policyholders and creditors.

Listed liabilities include unpaid losses as follows: accident \$192,121; health \$30,861; non-cancellable accident and health \$102,331; fidelity \$142,180; surety \$1,235,218; burglary and theft \$13,229; automobile property damage \$89,319.

Among other liabilities are special reserves of \$1,177,428 for liability claims; \$1,480,544 for workmen's compensation claims and \$663,983 for unearned premiums.

Incorporated Under New York Law

The present Southern Surety was incorporated under the New York laws in June, 1928, with \$2,500,000 capital and during that year surplus of like amount was paid in. It took over the business of the old Southern Surety of Iowa, which had been in operation since 1918 and had built up a large agency plant and premium volume. During 1929 the capital was increased to \$3,000,000

and \$750,000 was added to surplus. In March, 1930, the Southern Surety and its running mate, the Southern Fire, became affiliated with the Home of New York fleet, the Home Fire Securities Corporation holding the stock.

The old Southern Surety came under control of Rogers Caldwell and Kidder, Peabody & Co. It became involved in many of the Caldwell transactions and met heavy losses on that account. When these interests purchased the company they secured Norman R. Moray to head the company, he resigning as vice-president and general manager of the Hartford Accident. The company went out strong for business. When the financial crash came the investment houses could no longer furnish it money and therefore it had to seek shelter.

Suffered Severe Losses

The Southern suffered substantial losses at the time of the failure of the Caldwell interests due to deposits in and bonds covering funds in the various Caldwell banks and affiliated institutions. In addition the enormous depreciation in security values during the past two and a half years, plus unprofitable experience on its casualty and surety business generally, led to the conclusion that the company's complete retirement from the field at this time was the sensible course to follow. The Southern Surety virtually ceased operations six months ago since which time most of its business has been reinsured.

Beha Takes Hand in West Virginia Rate Controversy

HAS SESSION WITH LAWSON

National Bureau Contends That the State Lacks Authority Over Casualty Rates

NEW YORK, March 16.—Casualty companies operating in West Virginia were notified by Associate General Manager Leslie of the National Bureau of Casualty & Surety Underwriters to continue the use of the automobile liability and property damage rates promulgated March 1. This was in accordance with telephonic instructions from J. A. Beha, general manager of the bureau, speaking from the office of Commissioner Lawson at Charleston. Mr. Lawson was in the room when Mr. Beha was telephoning. The latter left New York for Charleston Saturday to take up with the state auditor the position of the automobile writing companies.

In an attempt to settle the automobile liability rate dispute in West Virginia, James A. Beha, general manager National Bureau of Casualty & Surety Underwriters, held a conference in Charleston, W. Va., with Commissioner Lawson, who has ordered the higher rates rescinded on the ground that the National Bureau is without jurisdiction in that state.

The bureau, however, has advised members to write business at the new rates. The legal committee of the bureau contends that Lawson has no control over casualty rates, claiming that he is attempting to extend fire insurance rate making provisions to cover casualty. The executive committee of the bureau has instructed the staff to take whatever legal steps are necessary to maintain the bureau's position.

The bureau contends that it does not file rates in West Virginia, but at the request of members, files rates on behalf of the individual companies, after the companies had notified the commissioner that the bureau is their filing agent. The bureau also maintains that it has filed with the West Virginia commissioner a copy of the constitution and by-laws and all amendments. This was done, according to the bureau, as a matter of convenience to West Virginia officials and not because it was required.

Friendly Court Action

The upshot of the conference between Mr. Lawson and Mr. Beha was the decision to invite a friendly court action to determine whether the casualty companies as well as fire associations are amenable to that section of the West Virginia law compelling the filing of certain information with the department as a prerequisite to their operating in the state. To determine the issue the casualty companies, whether affiliated or non-affiliated, that sanctioned the filing by the National Bureau of automobile rates on their behalf, will continue to collect the new tariffs. Mr. Lawson in turn will seek an injunction following which a court decision as to the applicability of the statute in question will be had.

Knox Des Moines Speaker

DES MOINES, March 16.—James K. Knox of the Fidelity & Deposit, spoke at this week's meeting of the Casualty & Surety Club of Des Moines on "The Development of Corporate Suretyship."

No Change in Compulsory Law

BOSTON, March 16.—There will be no change the coming year in Massachusetts compulsory automobile liability insurance act notwithstanding two score or more bills were filed in the present session of the legislature looking to modifications.

Desires More Consistency in the Automobile Tariffs

KANSAS CITY MEN TO MEET

Will Seek to Get the Various Classes of Companies Together on Rates

KANSAS CITY, MO., March 16.—The Casualty & Surety Underwriters Association has called a special meeting of all agents in the city writing automobile insurance, in an effort to evolve some remedy for the growing criticalness of the automobile liability and property damage situation here.

Bureau stock companies, according to W. J. Welsh of Mann-Barnum-Kerdolff-Welsh, and member of the executive committee of the association, are operating on one rate, while non-bureau companies are operating on practically as many rates as there are companies. There are some meritorious non-bureau companies selling policies that are backed up by sound financial institutions on standard forms, but doing so at a lesser rate than that charged by bureau carriers. In the non-bureau classification are also some that do not have the confidence of agents generally, either as to their financial stability or their ability to service assureds.

Says Rate Level Should Be Maintained

Representative Kansas City agents feel, Mr. Welsh said, that the individual car rate should be maintained on some agreed basis, since the competitive situation normally is difficult enough with the mutuals and reciprocals that there are in this field. To the layman there appears no justification for existing discrepancies. He does, in fact, view them as discriminations. The effect upon the public of the present confusion is making it very difficult for agents, who feel something to remedy the situation must be accomplished immediately.

A bureau company local manager and a bureau general agent each will talk briefly, as will a non-bureau company local manager and a non-bureau general agent.

Home Indemnity to Increase Capital; Curtailment Denied

NEW YORK, March 16.—President Kurth of the Home Indemnity denies emphatically that there is any basis for the persistent report that the company intended cutting out all lines except automobile public liability and property damage. It ceased writing depository bonds and certain surety forms some time ago and may curtail its acceptance of workmen's compensation business until conditions in the class improve. It will continue, however, to write general liability, burglary, plate glass and automobile coverages.

It is proposed to increase the capital of the Home Indemnity from its present figure of \$1,500,000 to \$1,750,000, through the issuance of new stock to be sold at a premium that will add \$750,000 to surplus. Assuming that stockholders at a special meeting on March 26 sanction the recommendation, which is regarded as a foregone conclusion, the added funds will enable the company to take care of the heavy reserves required in casualty operations. At the close of 1931 the Home Indemnity reported assets of \$9,956,635, and net surplus of \$1,127,619.

Responsibility, Guest Bills Pass

RICHMOND, VA., March 16.—Bills relieving motorists of responsibility for injuries to guests and providing for the revocation of a driver's permit for failure to satisfy a judgment were passed last week by the Virginia assembly.

Bureau Official Explains Auto Rate Boost on Tour

MEAD MEETS WITH AGENTS

Keen Interest Developed Among Locals and Chambers of Commerce in Middle West

NEW YORK, March 16.—R. C. Mead, assistant manager automobile department, National Bureau of Casualty & Surety Underwriters, is home from a swing through the central west, in the course of which he addressed agency gatherings in Milwaukee, Topeka, Kansas City and St. Louis, explaining the need for the new automobile public liability and property damage rates and the basis upon which these were predicated.

Members of insurance committees of chambers of commerce attended the gatherings and displayed interest.

Answers Agents' Questions

Following his general talks, Mr. Mead answered questions from the floor, covering a wide range and intended to develop all possible angles of the business.

Agents were particularly concerned in gaining accurate information which they could pass along to their assureds in justification of the lately increased rates for coverage. Today Mr. Mead spoke before the Bergen County (N. J.) Agents Association.

Optimistic View of Air Insurance

(CONT'D FROM PRECEDING PAGE)

time, to make economies in their operations and as time goes on it is to be expected that greater efficiency and experience will have a beneficial effect on their costs.

"It is true that all the large operators are cutting down on insurance costs as far as is feasible, but none of them go without the essential coverages such as fire and liability. There is still a substantial amount of this premium being paid into the insurance aviation market. With one exception, the large transport companies carry their own risk of crash, but as this has never been a profitable line for the insurance companies, this action is more to be welcomed than otherwise.

Profit on Passengers

"While passenger fares have been reduced during 1931, no sound air transport operator has reduced fares to the point where he cannot at least break even. Provided the volume of passenger traffic is available between two populous centers, it is quite practicable to carry those passengers by air more cheaply than they can travel by train, and still show a profit.

"It is alleged that certain spectacular accidents which have occurred have caused a falling off in passenger traffic, but the figures do not show that this is true. In this connection it is interesting to note that in 1931 as compared with 1930, trans-Atlantic steamship lines suffered a reduction of 30 percent in passenger traffic. The passenger traffic on first class railroads in the United States declined by 20.5 percent, and even commuting traffic was reduced by 11.3 percent. During the same period air transport traffic increased by no less than 19 percent.

"I have no figures available showing the number and value of automobiles sold in 1931 as compared to 1930, but I do know that the value and number of commercial aircraft sold in 1931 as against 1930 remained about even and what is even a more healthy sign, the number produced in 1931 did not exceed the number sold."

Aetna Life Liberalizes Its Premium Instalment Plan

REFERENCE TABLE PUBLISHED

System May Be Applied to Any Policy Including Auto Liability for More Than \$15

The instalment plan for automobile insurance premiums, which the Aetna Life companies authorized early in 1929, has been liberalized. The plan may now be applied to any policy which includes automobile liability if the premium is more than \$15 and less than \$500.

The first payment is 25 percent of the annual premium, plus the entire handling charges, with the fractional part of a dollar added where the annual premium is not even dollars.

The balance of the annual premium is to be paid in equal monthly instalments of not less than \$2.50, total number of subsequent instalments not to exceed nine.

The first instalment is due from assured on the effective date of policy and subsequent instalments every 30 days following.

The handling charge for each monthly payment including the first is 25 cents per instalment.

A form of agreement between the company and the assured is provided.

If the supervising office is not notified of any unpaid instalments within 30 days of the due date, so that the assured's request for cancellation may be acted upon by the company, the producing agent or broker will be held responsible for the payment of the earned premium.

Premiums on the instalment plan will be remitted to supervising offices by agents or brokers in accordance with the Aetna's regular collection rule. The producer will retain 50 percent of the handling charge for his work. Commissions will be allowed as the premium payments are made to the company.

The Aetna furnishes a reference table showing for each annual premium, from \$15 to \$200 the amount of the first payment, maximum number of monthly payments, and amount of each monthly payment. For instance, the first payment on an annual \$29 premium is \$9.57; the maximum number of monthly payments is eight and the amount of each monthly payment is \$2.71. The first payment on a \$150 premium is \$40; the maximum number of monthly payments is nine and the amount of each monthly payment is \$12.50.

U. S. Fidelity & Guaranty Conference at Des Moines

The Iowa-Nebraska department of the United States Fidelity & Guaranty headed by J. D. Hall, Des Moines, manager, held a conference in Des Moines at which R. H. Bland, chairman of the board, and S. B. Mason, Jr., vice-president in charge of compensation and liability, were present from the home office. The meeting was featured by a round table discussion at which the following talks were made: "Automobile Competition," by R. B. Harmon, Beatrice, Neb.; "The Contract Bond Situation," by C. Moriarity, engineering branch; "The Compensation Problem," by C. A. Abrahamson, Omaha; "The Credit Situation," by G. H. Ahrold, auditor, Des Moines branch; "Cooperation," by John Hynes, Davenport; "Acquisition Cost Rules," by Sam T. Morrison, Iowa City; "Undeveloped Fields of Business," by J. D. Hall, manager.

The Iowa-Nebraska department which was opened in 1920, with a production that year of \$235,000, last year produced \$1,190,020, somewhat in excess of the previous year and only slightly below income for the record year of 1929.

Heart Cases Offer Disability Problem

Many Victims of Disease Not Totally Disabled, Better Off at Work

SPECIALIST GIVES VIEWS

Dr. J. G. Carr Reviews Subject from Claim Standpoint in Address Before Chicago Group

The difficulties encountered in dealing with heart cases from the disability standpoint were reviewed at the March meeting of the Chicago Claim Association by Dr. James G. Carr, prominent Chicago heart specialist, who presented an extremely technical subject in a manner entirely comprehensible to the layman. Heart disease from the underwriting standpoint has often been discussed, but there have been very few presentations as to how it affects disability claims.

Hard to Check Statements

Dr. Carr stated at the outset that the greatest trouble is found in the fact that a private patient will usually give an accurate statement of his condition and one on which the physician can rely, while if he wants money, he usually begins by telling what is not true. In most cases the disability cannot be proved by any visible sign. If it could be, the claimant probably would not be brought in for examination. The only way in which the examiner can reach a conclusion is by relating the signs he may find, through physical examination and by the use of the electrocardiograph, to the claimant's story. If they check up, more reliance can be given to the statements made.

As a result of the examination of a large number of these cases, Dr. Carr said that after talking with a patient for a while, he usually has a pretty definite feeling as to whether the story was straight and by following his "hunch" in cases of this kind has often been able to obtain more definite facts than he would otherwise.

Less Trouble With Stenocardia

Usually these cases are very definitely uninsurable, but when they have been accepted for disability coverage, the determination of disability is an entirely different problem. A man may have high blood pressure and pronounced heart symptoms and yet be able to carry on his business. It all depends on the kind of work in which he is engaged. In cases of stenocardia, the most noticeable feature of which is a pronounced tightening of the chest, it is usually possible to tell whether the patient is telling the truth by giving him some moderately active exercise. A man suffering from this form of heart disease will be almost unable to get his breath at all after any exercise. There are cases where a man is able to get around town while walking with care and protecting himself where he is unable to stand any form of exertion. Some of these men may be able to do some work, but the problem is to find what they can do.

Coronary Thrombosis Cases

The most serious problem from the disability standpoint is in connection with cases of coronary thrombosis, a form of heart disease which is prevalent among men between 40 and 50. It is not a disease of the aged, as was once believed, but as many of its victims are

(CONTINUED ON PAGE 44)

Income Indemnity Enters Big Field With Appointment

KLENK NOW GENERAL AGENT

Named for Greater New York by Company Offering Contract to Replace Disability Clause

NEW YORK, March 16.—In line with its new program of aggressive development of the income disability field, the Income Indemnity of Boston, formerly the Brotherhood Accident, has appointed W. C. Klenk general agent for Greater New York.

The Income Indemnity, which formerly wrote business only through its own full-time agents, is now offering to brokers and life agents generally its non-cancellable accident and health policy, particularly as a substitute for disability contracts which many life companies have withdrawn or restricted in the last year. The company has a premium volume of about half a million a year, approximately half of which is in New York State.

Provisions of Policy

The contract is similar to that which the Massachusetts Protective sells to Masons, the principal difference being that there is no accidental death benefit in the Income Indemnity's policy. The non-cancellable contract may be had with coverage from the first day or with a 30-day waiting period. It may also be written with an income benefit period of 65 weeks or 104 weeks. The life time indemnity form is not written.

Rates vary with occupational classification. Other features are: renewable to age 70, incontestable after two years, non-house-confining, can be purchased up to age 56. Rates for a given classification are the same from 21 to 50. At latter age both new or renewal premiums are increased a third. The weekly indemnity for sickness is reduced 50 percent at age 60 but the accident indemnity remains the same.

Illustration of Rates

The rate for a Class A risk at any age from 21 through 49 would be \$140 a year for \$50 a week for a maximum of 104 weeks, with indemnity from the first day. With a one-month waiting period the rate would be \$116 a year.

For a 65-week indemnity period the rate would be \$120 for coverage from the first day, or \$96 with a one-month elimination period. A maximum indemnity of \$100 a week may be purchased but the second \$50 per week must have the 30-day waiting period.

The company's liability for total disability is aggregate, that is, it is liable under any one policy for a maximum total of 104 weeks or 65 weeks, as the policy provides, whether disability is continuous or occurs at widely separated times.

Other Provisions

The policy also provides that an additional 50 percent of the specified weekly indemnity will be paid for 15 weeks for hospital and nursing expenses; that 50 percent indemnity for a period not exceeding 26 weeks will be paid for each partial disability resulting from accident.

The policy includes the standard aviation and double indemnity clauses. No extra charge is made where premiums are paid quarterly but the weekly indemnity is increased 10 percent if the premium is paid annually.

Mr. Klenk was until two years ago underwriting superintendent of the United States Fidelity & Guaranty, and has been associated with the Travelers, the Zurich General Accident and the New York Indemnity.

The Utilities of St. Louis, Northwest Casualty of Seattle and Western Underwriters Mutual of Kansas City have been licensed in Tennessee.

Van Schaick Rejects Plan Giving Exclusive Privilege

BANS MEDICAL SOCIETY EDICT

Resolution Requiring Members to Buy Liability Cover from Broker Found Out of Order

NEW YORK, March 16.—Holding that the resolution of the executive council of the New York State Medical Society providing that members in counties of Greater New York, Rockland, Westchester, Nassau and Suffolk, desiring to secure physicians' and surgeons' liability insurance under group cover of the Aetna Life, could do so only through H. F. Wanvig, a broker of this city, as "being against sound principles of public policy," Superintendent Van Schaick has disapproved the arrangement.

Major Wanvig specialized in the sale of physicians' and surgeons' liability following retirement from the United States department of the Yorkshire in 1924, and has developed a substantial business.

Agents Much Concerned

Agents throughout the counties mentioned were exercised over the exclusive arrangement entered into with Major Wanvig, not that they cared particularly about the line in question, but they feared the plan might be extended to other forms of coverage by different companies. Complaints filed by several brokers' associations and individuals induced the department to study the issue.

While the medical society, Mr. Van Schaick concedes, in adopting the resolution "was undoubtedly actuated by a desire to provide a specialized brokerage service for its members," it was exercising a power which it did not possess.

Chicago Glass Issue Is Up at Meeting in New York

A meeting of bureau and non-bureau executives on the Chicago plate glass situation, particularly with reference to creation of the Cook County Plate Glass Bureau is being held in New York Thursday of this week. G. E. Wilkinson, assistant secretary of the Metropolitan Casualty, who is chairman of the committee of home office officials on the Chicago plate glass question, is in charge of the New York meeting. H. S. Shipner of the Bankers Indemnity in Chicago, who is chairman of the Chicago committee on the Cook county plate glass bureau, is attending the New York session.

A constitution and by-laws for the glass bureau was submitted at a meeting of Chicago representatives. Fourteen representatives expressed willingness to enter the bureau and 21 said that they would have to get authority of their home offices.

Oregon Asks Bank Robbery Rate Increase Be Justified

Commissioner Averill of Oregon and Secretary Cramer of the Oregon Bankers Association addressed the National Bureau of Casualty & Surety Underwriters asking that it justify the 20 percent increase in bank robbery rates applied to the state last Jan. 11. In reply it was pointed out that one loss of \$11,505 suffered by a bank of the state last year more than wiped out the entire premium income of \$7,985 from the line during the 12 months. Rates for the coverage as for other classes of indemnity are predicated upon broad experience and can not properly be based upon the record of a single state, particularly one yielding only a modest premium income.

Uses Hourly Basis for Compensation

Builders & Manufacturers Mutual Casualty Starts Experiment With Road Builders

PLAN MAY BE EXTENDED

Chicago Company Is Dissatisfied With Payroll System—Charges \$.023 Per Hour

In the belief that the payroll basis of computing compensation premiums is illogical, inequitable and altogether unsatisfactory, particularly in a period of declining wages, the Builders & Manufacturers Mutual Casualty of Chicago has just initiated the system of computing the compensation rate for road builders on the hourly basis. If the experiment proves successful in this line, Acting Manager H. L. Carter states the intention is to extend the plan to other classifications.

At the same time the Builders & Manufacturers is introducing what it calls the excess premium plan, which was adopted after having been criticized by the University of Chicago, Harvard University, Dartmouth and the University of Pennsylvania. The excess premium plan doesn't become effective unless the Builders & Manufacturers makes a profit as a whole on its compensation business. If there is a profit, then dividends are distributed to policyholders, according to the individual loss ratio of each account. That is, an employer with a 20 percent loss ratio would be paid a higher dividend than an employer with a 40 percent loss ratio. Never more than 80 percent of the profits on compensation are to be thus distributed, the other 20 percent to go to surplus.

Definite Factor Seen

Mr. Carter believes that as experience becomes available, there will be a very definite factor for the number of hours per accident in the various classifications. When those factors are established, according to Mr. Carter, all that would be necessary would be to add the expense loading to get the proper rate.

To start the experiment, the Builders & Manufacturers is charging \$.023 per hour for road builders. That figure was arrived at by dividing the premium that might be anticipated on the payroll basis at a 50 cents an hour wage scale by the number of hours necessary to complete the work. That serves as a safe starting point, according to Mr. Carter, and can be adjusted in future years to correspond with true results.

Why Road Builders

The road builder classification was selected to initiate the experience because there is much more activity now in road building than in other building operations. Furthermore there is more payroll reported under a road contract than under a building contract, the cost of material being a larger item in building.

Mr. Carter believes that the hourly basis will provide better statistics with which to stimulate safety work. An employer, he believes, can be more easily impressed with the necessity for safety work when his operations show far fewer hours per accident than the average in that employer's line. Indeed, Mr. Carter points out, many employers keep accident records on the hourly basis for their own information and for the information of the National Safety Council and other safety organizations. It

(CONTINUED ON PAGE 44)



The Central West . . .

aims to maintain Agency relations dedicated to the theory that the partnership interest best promises success and, in the light of this conviction, intends to foster methods fundamental to business satisfaction.

is equipped to write practically every character of Casualty Insurance and Bonds and to render individual attention to Agents in their problems.

CAPITAL \$1,000,000

The Central West Casualty Co.

131 W. Lafayette Boulevard

DETROIT

Manual Companies Losing Much Automobile Business

HARVEST FOR INDEPENDENTS

Some Conference Companies Reported to Be Making Concessions to Hold Lines

Increased automobile liability rates are costing conference companies in the middle west that are adhering strictly to the higher tariffs much business. One western division casualty office, for instance, reports that its automobile premiums in January and February of this year are about half what they were the same two months of last year.

Agents in large numbers are placing their automobile business with non-conference companies and automobile specialty companies. They contend that this course is necessary to hold the business. The outlay for automobile insurance represents a substantial sum to most motorists. Many agents claim it is impossible to get the manual rate because the client will either become a noninsured or will seek cheaper insurance elsewhere.

Some company executives feel that the agents are not making an honest effort to charge manual rates; that they are apologetic to their customers and even side with the customer in the position that the rates are too high. Many company men feel that the agents are not aggressively selling at the higher rates, explaining the necessity for the increase and pointing out that adequate rates must be charged if the indemnity is to be sound.

Some Are Unsympathetic

Other managers, however, are not in full sympathy with the increased rates. Managers of this conviction believe that it is vital for the companies to get more revenue, but that much of this increased revenue should come from reform in fleet writing practices. The injustice of the fictitious fleets, these managers believe, is thrown into relief by the new rates, which are bearing heavily upon the individual motorist, who does not happen to have an uncle, sister, cousin or aunt working for a concern, whose employees and relatives are entitled to certificates under a master policy.

While many companies are more or less helplessly suffering the loss of renewals because of the high rates, the report is that some conference companies are making concessions, some charging the 1931 scale and allowing merit rating.

The seriousness of the situation is realized by companies when long established agents who have heretofore always been orthodox in every particular, representing only conference companies, are making connections with independent carriers. Scores of agents apparently are not willing to sacrifice business or put themselves to the trouble of fighting for business at the higher rates in order to be regular.

To Probe Liability Rates

RICHMOND, March 16.—The Virginia state corporation commission is vested with authority to supervise and regulate automobile liability rates, under a bill passed by the legislature last week. The measure provides for the filing of schedules and rates with the commission and for the setting up of an administration bureau. It went through both branches practically without opposition.

The commission plans to start an inquiry into automobile liability rates as soon as the new law becomes effective the latter part of June.

Commercial Mut. Sur.—Assets, \$7,938; unearned prem., \$1,537; loss reserve, \$257; net surplus, \$5,923. Experience: Premiums, Losses
Surety\$ 4,357 \$ 1,078

Popular Writer Champions Auto Compensation System

N. J. MEASURE ON SUBJECT

Dorothy O. Bromley in "Harper's Magazine" Presents Case for Statutory Liability Awards

A measure has been introduced in the New Jersey legislature which would provide a referee system to hear testimony in cases arising from motor vehicle damage action similar to workmen's compensation cases.

The public is apparently becoming interested in the idea of transforming automobile liability to a compensation basis.

Dorothy Dunbar Bromley of New York is the author of an article, "After the Automobile Accident Who Shall Pay the Damages, and How?" which appears in the March "Harper's Magazine." After reviewing various phases of the automobile public liability question she presents the case for the handling of automobile liability claims on much the same basis used in workmen's compensation. She cites the conclusions of the Committee to Study Compensation for Automobile Accidents, which is headed by A. A. Ballantine, who is assistant secretary of the treasury. She favors a compensation plan applied to automobiles under which the insurance companies would have to pay claims according to a statutory scale, and unless a competitive state fund were set up, their rates would necessarily be fixed by the state.

Insurance men are opposed to the plan as it would presage state insurance. They also feel that, particularly in times of unemployment persons would invite accident in order to receive compensation.

Another New Jersey bill would vest the insurance department with jurisdiction over automobile liability. It would require the filing of schedules with the department, which would pass on the solvency and responsibility of the company in approving the rate. If disapproved, the commissioner would be required to call a hearing within 30 days in which the company would challenge his action.

Federal Action Against Day, McCutchan Is Dismissed

Federal Judge Reeves at Jefferson City, Mo., has sustained the demurrer of J. B. McCutchan and Darby A. Day in the prosecution growing out of the Continental Indemnity, which was one of the companies that went down in the Darby Day crash. The Continental Indemnity was originally the Indemnity of America, with headquarters in St. Louis. It was acquired by McCutchan and Day and was consolidated with the Continental Auto Underwriters of Springfield, Ill., under the title Continental Indemnity. Day and McCutchan are now relieved of all prosecution which has been pending, inasmuch as the action against them in the state courts at Dallas in connection with the manipulation of the Automobile Underwriters of that city, has been dismissed.

Contractor Held Liable

The United States circuit court of appeals at Montgomery, Ala., held that an excavating contractor is responsible to occupants and owners of a joint building which may collapse on account of the work being done. The case was remanded for a retrial since the lower court held that S. H. Kress & Co., owners of the property, being excavated, were jointly liable. The lower court awarded damages of \$68,556.

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Wisconsin Agents Confer on New Automobile Rates

R. C. MEAD REVIEWS CHANGES

Discussion Brings Out Some Opposition—Calhoun Says Agents Must Justify New Rates

MILWAUKEE, March 16.—More than 100 members of the Wisconsin Association of Insurance Agents and their guests attended a special meeting here sponsored by the organization to hear a discussion of the new automobile insurance rates. Agents from practically all sections of the state were in attendance.

R. C. Mead of the automobile department of the National Bureau of Casualty & Surety Underwriters was introduced by F. J. Lewis, Milwaukee, president of the Wisconsin association. Mr. Lewis emphasized the importance of discussion, urging the agents to study the reasons for changes in rates, and to maintain the high standards of underwriting required by the American agency system.

Mr. Lewis described the agitation in the state for a compulsory automobile liability insurance plan with state fund, and described the financial responsibility law which was enacted as a preferable measure. Many people are not aware that there is such a law in Wisconsin, he pointed out. The local agent has a good opportunity for educational and contact work in bringing this information before them, both in the columns of his local paper in smaller cities, and in his personal contacts.

Mr. Mead described in detail the activities of the National Bureau, in giving the background of rate making. He pointed out that the companies have sustained underwriting losses under

public liability coverage on both private passenger and commercial cars in Wisconsin.

A lively discussion followed Mr. Mead's talk. Gus Guenther, Sheboygan, maintained that the Class 2 cities in Wisconsin were "the goat" under the rate changes, and asserted this class is paying the same property damage as Chicago.

Agents participating in the discussions included A. W. Fox, Oshkosh; C. H. Thornton, Fond du Lac; W. H. Carpenter, Racine; H. A. Bird, Beaver Dam; J. C. Brown of Dick & Reuteman, Milwaukee.

Calhoun Reviews Situation

W. B. Calhoun of Milwaukee, president of the National Association of Insurance Agents, was then asked for an expression of opinion.

"The National Bureau is taking into consideration company stability," Mr. Calhoun emphasized. "In going out to our clients with increased rates, it is going to require salesmanship, but if we are going to sell the type of insurance we have in the past we have to justify the rates."

"As a result of the National Fire Waste Contest, started about ten years ago when it was seen that there must be some genuine effort to reduce fire losses, a considerable decrease has been obtained in fire waste," Mr. Calhoun declared. "Aren't agents overlooking a responsibility to automobile owners in not bringing before them the fact that the cost of their insurance is based on the experience of their respective classes? What about our responsibility in educating the assured, and pointing out to the automobile owner that he really makes his rates?"

"We have to do more than justify the increased cost of automobile liability insurance. We must rectify the loss ratio, and we must do it with reference to the reduction of automobile accidents as well as to fire hazards."

Monroe Porth, Milwaukee, past presi-

Start Drive for Evidence of Termination on Bonds

GOOD RESULTS ARE OBTAINED

One Company Expects to Release More Than \$300,000 to Surplus by This Activity

NEW YORK, March 16.—Some of the bonding companies have notified their branch offices to make a special effort to get evidence of termination on as many contracts as possible. One of the large bonding companies expects to be able to release between \$300,000 and \$400,000 to surplus by reason of this activity.

Some branch offices, without being prompted, are always alert in getting evidence of termination. Some branches employ one man to spend his entire time on this work, checking court records and communicating with owners to determine whether the books can be closed on contract bonds. Even these offices find that more terminations can be brought about by extra effort.

Court and Fiduciary

The greatest results can be obtained in the court and fiduciary bond field. In those directions, because of constipated court procedure and the inertia of attorneys, bonds may remain open for years unless the bonding companies arrange for their termination when their

dent Milwaukee Board, urged more frequent changes in rates. He pointed out that the lull of four years experience in automobile rates on private cars in Wisconsin had had a bad effect. Fluctuation of rates perhaps annually, showing experience constantly, would be valuable, Mr. Porth said.

functions have been performed. As long as the bonds remain open, premium reserve must be carried, which is not a disadvantage when security prices are advancing and underwriting profits are being made. The problem then is not to permit surplus to become inordinately high and to conceal as much in reserves as possible.

Need to Release Reserve

But, when security prices are on the down grade and the loss and expense ratios are dangerously high, there is need, even in the strongest companies, to release as much reserve to surplus as possible, without, however, departing from conservative practices.

By getting evidence of termination on as many bonds as possible, reserves can be reduced by perfectly sound methods and a contribution of \$100,000 or so to surplus these days is a real advantage.

Comparison of New York Cities

ROCHESTER, N. Y., March 16.—Clients of the R. S. Pavour & Son agency of this city have been advised that despite the rate advance for automobile public liability and property damage insurance, Rochester "still has lower costs than the larger cities of New York and Buffalo, as well as of such smaller centers as Syracuse, Troy, Schenectady and Albany," a result probably due "to its better traffic law enforcement and education, more skillful and intelligent drivers, good geographical conditions and fairness of courts in verdict awards." A comparison of the population of a number of cities of the state and the minimum liability and property damage cost on an average automobile in each center, shows these figures:

New York City.....	6,930,446	\$129
Albany	127,412	82
Schenectady	95,692	75
Troy	72,763	78
Syracuse	209,326	74
Utica	101,740	55
Buffalo	573,076	63
Rochester	328,132	57

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Heart Cases Offer Disability Problem

(CONTINUED FROM PAGE 39)

under 50 as over that age. It is characterized by sudden and very severe attacks, which often prove fatal, about 20 to 25 percent of them resulting in death. Patients who recover from these attacks are not, however, totally disabled thereafter and more than 50 percent of them are able to return to work. He cited the case of a doctor of his acquaintance who continued active in his practice for seven years before suffering a second attack.

Period of Temporary Disability

There usually is a disability period of from four to six months after such an attack before the patient is able to return to work. Recovery is more rapid in the summer and the disability is likely to be longer in the winter months. Climate is also an important factor. Men of this type are not fit for hard physical labor, but may be able to manage a business just as well as before. Companies may have these men on their hands for years but in most cases they would be better off if they would go back to work. Dr. Carr says that the test he applies in such cases is:

"Would he go back to work if he had no insurance?"

Arterio-sclerotic conditions occur mostly among elderly persons and the question of disability in such cases is not hard to decide. Syphilitic heart disease usually occurs where the patient has not received proper treatment in the early stages of the disease. The mortality in such cases is very high. They may not develop for ten or 15 years, but when the break comes, the man is usually all through.

Rheumatic heart disease usually develops among younger people and they are not likely to be accepted for disability insurance. It is primarily a disease of the poor, almost non-existent in communities where living standards are high, and might be wiped out if living conditions were more favorable.

Angina Not Poor Man's Disease

Angina pectoris, on the other hand, is almost entirely confined to the more well-to-do classes. Dr. Carr said that in his experience at the county hospital angina pectoris cases were almost unknown. Many of these cases are on a nervous basis. He said that he strongly suspects that a large number of patients who come to him will within a few years be victims of heart trouble, particularly of the hypertensive type,

associated with high blood pressure. He is led to this conclusion by the patient's build, manner of living and some preliminary symptoms, but says it is difficult to know how to talk to such people. If he tells them of his suspicions, possibly half of them will be scared into disability.

He told of a physician who became interested in the operation of the electrocardiograph and decided to have it used on himself. When the record showed some irregularities he gave up his work entirely, although he had felt no indication of any trouble of any sort before, and it was only when Dr. Carr happened to find in a medical journal a record of a case with very similar findings, where the patient had lived for many years and showed no serious effects, that he was able to talk his friend out of the idea of quitting work.

Electrocardiogram Not Infallible

Dr. Carr said that the electrocardiogram cannot be taken as an absolute record and that wrong conclusions may be reached if minor deviations from the normal are too strongly stressed. These may often be produced by a nervous condition. He emphasized very strongly, however, the service that the electrocardiograph has rendered in bringing to light heart impairments that were difficult to discover before. He said that there are no really adequate statistics on deaths from heart disease, as many cases which until a few years ago were reported as due to ptomaine poisoning

or other similar causes probably were heart cases.

Uses Hourly Basis for Compensation

(CONTINUED FROM PAGE 39)

would consequently, he said, be easy for compensation writing companies to produce a rate for those concerns, which have been keeping records on the hourly basis. Actual results on the payroll basis could be compared with the hourly record and a rate on the hourly basis be devised.

Payroll auditing, according to Mr. Carter, would be greatly simplified by use of the hourly basis. Every employer is compelled to keep a record of the employees hours to determine the payroll. Accordingly the payroll auditor could perform his work ordinarily merely by inspecting the time books.

The hourly system should prove a benefit to contractors, he said, because even when bidding for a contract months before work would be started, the contractor would know definitely what his compensation costs would be. On the payroll basis, the contractor doesn't know ahead of time what he will have to pay for wages and consequently can't estimate precisely his compensation costs.

Mr. Carter believes that now is the psychological time to introduce the hourly system.

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FIDELITY AND SURETY NEWS

Curb Detroit Bail Bond Evils

Commissioner Livingston Says Unlicensed Agents Ring Is Broken Up—Cost Public Thousands

DETROIT, March 16.—The bail bond "racket" in Detroit has been effectively broken up, says Commissioner Livingston. A ring of unlicensed agents representing several large companies has had a strangle hold on this type of business in Detroit since the activities of the professional bondsmen were curbed some time ago, says the commissioner, who adds that these companies face a stiff fine and their licenses will not be renewed April 1. The ring has mulcted citizens out of many thousands of dollars, he says.

"A group of about 25 unlicensed agents has had almost complete control of the bail bond situation in Detroit," says the commissioner. "Their control was so complete that it has been virtually impossible to obtain bail from anyone except personal friends without paying tribute to the gang. Fees for bonds usually are about \$50 per \$1,000. This was the fee paid to the companies by the agents, but the agents collected fees as high as \$250 per \$1,000 and pocketed the difference."

Visit Hoover Dam

Representatives of the surety company "committee of five" which has charge of operation of the bond under which the Six Companies is constructing the Hoover Dam, are on a trip to Las Vegas, scene of the construction activities. Those on the trip include: E. C. Porter and E. W. Copeland, U. S. F. & G.; R. D. Weldon, American Surety; Guy LeRoy Stevick, Fidelity & Deposit; A. C. Posey, Hartford Accident, and R. W. Stewart, National Surety.

Mortensen Checks Up Losses

MADISON, WIS., March 16.—Commissioner Mortensen, who has begun an investigation to determine justification of the increase in rates on fidelity bonds for bank officers, has sent a questionnaire to all banks in the state to find

out what losses they have incurred through embezzlement or other betrayal of trust by bank employees or officers. The questionnaire was included in letters sent out by the state banking department, furnishing banks with standard forms to show what kind of surety bonds are required for all persons handling money or personal property in behalf of banks. Rates on surety bonds for bank officers have mounted from \$6 to \$10 for those in Class A banks and from \$12 to \$20 for those in Class B banks.

Public Funds Can Be Preferred

RICHMOND, March 16.—Under a bill which passed the Virginia general assembly last week, protection is provided for county deposits in banks and county treasurers and their bondsmen are relieved of responsibility for funds on deposit. It provides that instead of giving corporate bond or putting up approved collateral to protect such deposits, directors of a bank may by resolution give county deposits a preference to the extent of 60 percent of the capital and surplus. Only state banks could do this, as national banks are not permitted to prefer one creditor over another.

Revise Kentucky Deposit Act

LOUISVILLE, March 16.—A new law has been enacted under which state banks may now deposit state warrants, state bridge bonds or federal bonds as guaranty to the state of Kentucky for state funds deposited with state banks, thus escaping difficulties involved in securing surety bonds. An act was passed early in the session, but was thrown out when it was found that instead of government bonds it read "other securities," which would have permitted depositing almost anything as security.

Bank Suspends, Bond Continues

The Oklahoma supreme court has held that a fidelity bond remains in force and effect during its regular term for which the premium was accepted despite the fact that the bank commissioner takes charge of the bank. The case was U. S. Fidelity & Guaranty vs. State ex rel. Shull.

Rights of Insurance Men Set Forth by Richardson

(CONTINUED FROM PAGE 37)

unprofitable enterprise, is confiscatory in its effect and damaging to the ultimate interests of those who may derive some trifling benefit, for the time being, from unjust and uneconomic premium scales.

"6. That an advisory committee be formed of leading citizens engaged in one or other of the forms of insurance, which committee should be representative of all types of carriers, to which new legislation affecting the business would be submitted so that it might report back thereon with practical suggestions and rejoinders."

Self Government Is Aim

"The ultimate aim of all moral and social development must be self-government either for the individual or for the social and vocational groups to which he belongs," declared Mr. Richardson.

"The reduction of our remuneration by departmental fiat in the matter of compulsory automobile insurance is a characteristic example of the slipshod logic which takes the place of even-handed justice when some political fortune is at stake. We were told that we must put up with a starvation ration because this class of insurance was compulsory. Does the government propose little or no profit to the butcher, the baker and the candlestick-maker? What difference does it make whether this compulsion is a natural force or whether it is the result of governmental interference? The effect is the same. If it was desirable to have people insure then it followed that those who insured of their own free will were to be commended and those who failed to insure were to be condemned. Plainly, those who were forced were not entitled to lower rates because they had been forced. And yet that has been the false reasoning at the back of this rate business and the arbitrary reduction of commissions. The whole proceeding has been a travesty on common sense and a gross injustice to a body of citizens who, by and large, are as worthy of public respect as any.

People Hate Duty

"If liability insurance is a good thing, as you admit by making it compulsory, why should you punish the very men who have been carrying the true gospel to the people, wakening them up one by one when you and the rest of the world slept? Isn't it the truth of the matter that insurance being a duty people hate having to pay for it? It is the same with all moral obligations. If their discharge were as exciting as a prize fight or a football match, welfare drives and insurance salesmanship would not be necessary. Any fool with a hurdy-gurdy and a monkey in a red coat can sell the populace their pleasures, but it has always taken real men and women to sell them their duties.

"Was the tax rate reduced when liability insurance became compulsory? It was not! The taxes on insurance premiums collected last year all over the country amounted in round figures to \$100,000,000. How much was spent on supervision? Less than four and one-half millions. In addition to what is collected in premium taxes insurance companies are charged for the privilege of being examined. It's a great racket! These taxes are from every standpoint of public morality nothing but a stupendous gouge.

Lack of Sincerity

"It is this lack of sincerity in the government which is at the root of our grievances. Having superabundant funds derived from insurance taxes to support reasonable supervision and to enable it to set up its own rate-making machinery, had it not desired to avoid the expense, the government chose to place the responsibility upon the carriers. Then, having to face a demand for increased rates owing to the experience, it thought fit to believe the com-

panies were guilty of misrepresentation in regard to the estimates of outstanding losses. It denied the facts and on that basis tried to evade relief. Time having proved the unsoundness of this position, it has twisted this way and that in an effort to avoid the consequences of its own lack of administration. The mere fact that a special session was held to deal with this subject is proof enough that the engine has run off the track. And why? Because compulsory insurance had turned out to be a political boomerang and everybody was trying to avoid the dangerous implement as it swung back to the place from which it started.

Accidents Also Increase Cost

"There never was any doubt in the minds of those who knew their subject that compulsory insurance would increase the cost. However, if the idea was a good one, it was probably worth it. Has it proved to be a good departure? Have the results justified the experiment, or is there a better way of doing it? These questions have not been answered. Meantime the burden of the experiment is being placed upon the carriers, and it is more than most of them can bear. In addition to the increased cost due to conditions created by the compulsory law itself the state

of Massachusetts has shared with every other state in the union the growing frequency and severity of accidents due to the speeding up and concentration of traffic, and the changing features of the machines which are the subject of the law. In other words, the hazards have multiplied. Is it equitable, therefore, to impose an inadequate scale of rates upon insurance companies because the legislature is unable to solve its own problems? If there is anything wrong with the system over which the carriers have no control why should they carry the load until the system is reformed? There is only one answer, and that is, why should they, unless it be because they lack gall to make oppression bitter?

"The theory is also advanced in regard to the carriers, as well as to the agents, that liability insurance being compulsory there should be no profit; and in that connection we would like to ask what guarantees have been given that there shall be no loss? Would it not be foolish to provide such guarantees? Speaking for ourselves, we think it would. Insurance companies have not asked to be guaranteed against making a loss, and it would be just as absurd to ask them to guarantee not to make a profit. It is their business to make profits like any other enterprise, and, if they do not, their policies will not be worth 100 cents on the dollar.

Depository Bond Commissions Cut

(CONTINUED FROM PAGE 37)

in depository bond commissions. The committee consists of George D. Webb, Conkling, Price & Webb; W. Herbert Stewart, Stewart, Keator, Kessberger & Lederer; A. A. Korte, W. A. Alexander & Co.; W. W. Steiner, Globe Indemnity, and J. L. Machle, American Surety.

There are forces at work which make it difficult and impolitic for them to expect to get anything but a modest ratio of profit, and the history of insurance shows that it has always been a stern enterprise and one in which only the well-managed and honestly-run organization can hope to survive."

Nonassessable But Liable

Holder of a nonassessable policy in a mutual casualty company is liable for the premium for the remainder of the policy year even though the policy was terminated when the receivership was authorized, according to the South Dakota supreme court in Buck, receiver for the Integrity Mutual Casualty of Chicago, vs. Ross et al.

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CHANGES IN CASUALTY FIELD

Establishes Casualty Office

E. J. Miller of Denver, Formerly of Cobb, Miller & Stebbins to Operate Exclusively in That Field

DENVER, March 16.—E. J. Miller, member of the former Cobb, Miller & Stebbins general agency, is establishing an exclusive surety and casualty general agency and effective April 1 will represent the Standard Surety & Casualty of New York.

Since Messrs. Cobb and Stebbins will hereafter operate an exclusive fire general agency under the name of Cobb & Stebbins, Mr. Miller is taking practically the entire surety and casualty organization of the old Cobb, Miller & Stebbins firm. A. P. Miller, who was with that firm nine years, will be assistant general agent with Mr. Miller. G. B. Drake, attorney and adjuster of the old firm, will be in charge of the loss department. The transfer also includes Special Agents G. L. Monaghan and G. L. Van Auken, who will be in

the field. E. J. Miller became a member of the Cobb, Miller & Stebbins firm in 1923. The interests of his office and those of Cobb & Stebbins are mutual and will be worked out in the most harmonious and cooperative fashion, he said.

Lachel Quitting Union

A. P. Lachel, who has been manager of the casualty department for the Union Indemnity's central department at Chicago since that office was opened four years ago, is resigning as of March 31. Before he became associated with this office he was in the local agency end of the business in Marion, Ind. He will announce his new connection shortly.

Maryland's Claim Changes

BALTIMORE, March 16.—The Maryland Casualty announces these changes in its claim department: G. R. Cummings has been made manager of the Minneapolis claim division, being transferred from a similar position at

Toledo. S. S. Wachter, formerly Des Moines claim manager, succeeds Mr. Cummings at Toledo and H. V. Canter has been named to succeed Mr. Wachter in Des Moines.

L. B. Carpenter has been appointed manager of the Asheville claim division and M. L. Page, adjuster in charge of the Wilmington sub-office of the Charlotte claim division.

Simons Assistant Manager at Chicago for Employers

Wm. H. Simons has been appointed assistant resident manager of the Illinois department of the Employers group under George F. Douaire, resident manager. Mr. Simons has had some 20 years' experience in fire and casualty lines, originally having been a fire insurance man. For the last two years he has been resident manager for the Employers at Cleveland, and for some years previously was Employers' resident manager in New Orleans. He succeeds H. F. MacLachlan, who has resigned.

Carmick in Full Charge

E. S. Carmick has been elected vice-president of the Guardian Casualty of Buffalo. He was formerly metropolitan manager of the Eagle Indemnity in New York City and lately has been in charge of the Guardian Casualty's metropolitan surety department. Now he has supervision over both the casualty and surety departments. W. A. Morris has been casualty manager but has resigned to go with the agency of Baldwin & Morris in New York.

Stuart Takes Newark Post

Sidney H. Stuart, Madison, Wis., has been appointed superintendent of claims service for New Jersey for the Continental Casualty, with headquarters at Newark. Mr. Stuart has been associated for 19 years with the law firm of Richmond, Jackman, Wilkie & Toebas and for 10 years an officer and director

of the Neckerman Insurance Agency of Madison.

G. W. Dow Is Transferred

George W. Dow, special agent for the Indemnity of North America and Alliance Casualty, has been transferred from Indiana with headquarters in Indianapolis to Illinois with headquarters in Chicago under Executive Special Agent W. W. Meissel. Mr. Dow has been with those companies about two years, starting at Cleveland.

Enlarge Cleveland Branch

Increasing business has necessitated enlarging the Cleveland branch office of Lloyds Casualty and the Detroit Fidelity & Surety. This office is managed by David Binder, formerly associated with the Seaboard Surety as agency superintendent. Since its opening in September, 1931, it has experienced steady growth in agency representation throughout the state. The branch serves Ohio agents for Lloyds Casualty and the agents of western Pennsylvania, Ohio, and part of West Virginia for the Detroit F. & S.

F. W. Efinger Resigns

Frank W. Efinger, who has been with the Newark office of the Indemnity of North America for about a year as special representative, has resigned. Previous to joining the Newark office he was in the insurance business for himself.

Becomes Independent Adjuster

F. H. Nottbusch, claims attorney at Los Angeles for W. E. Severance Co., independent adjusters, has removed to San Diego, where he has opened an office as an independent adjuster. He was formerly with the Union Indemnity in Los Angeles and prior to that with the Hartford Accident for eight years.

Charles E. Calum, formerly of Newark, who has had 15 years' experience in the adjusting field, has opened offices in Jersey City to handle automobile, compensation and liability, claim investigations and adjustments.

WORKMEN'S COMPENSATION

Change in Law Extends Cover

Companies Can Collect Additional Premiums on Payroll Audit, Without Notice, Wisconsin Ruling

MADISON, WIS., March 16.—A change in the compensation law, such as that made by the 1931 Wisconsin legislature, whereby "working partners receiving wages irrespective of profit" are made subject to the act, although prior to that time they were permitted to elect not to be subject to it, becomes a part of any outstanding policy and the carrier is entitled to additional premium upon payroll audit.

That is the opinion of Attorney-General Reynolds, given in response to an inquiry from H. L. Mount, secretary compensation insurance board. This result is effected, whether or not notice was given or endorsement issued by the carrier.

In order to justify the collection of additional premium, however, the attorney-general says, it must appear that the working partner is receiving "wages irrespective of profit." He goes into the definition of that phrase at some length and says that where the parties are unable to agree on the facts in a particular case, it is a question for judicial determination.

Minority Report of N. Y. Committee Raps Findings

NEW YORK, March 16.—The minority report of the committee ap-

pointed by Governor Roosevelt to consider medical and hospital problems in connection with workmen's compensation insurance has finally been released. It is signed only by Charles Deckleman of the Travelers and O. G. Browne of the Self-Insurers Association but it is stated that it meets the approval of several other members of the committee of 20, only eight of whom, headed as chairman by Dr. Cullman, president of the Beekman Street Hospital, signed the preliminary report.

The minority report calls attention to the fact that the preliminary report is based on testimony given at public hearings with less than 40 witnesses from the 100,000 workers who have been injured and received medical care and showed, on the part of a number of these witnesses, "grossest misinformation and overstatement. The committee as such did not seek to verify these complaints but in its conclusions has accepted them at face value." So the "widespread dissatisfaction," declared to exist by the committee, is without confirmation, the minority report says.

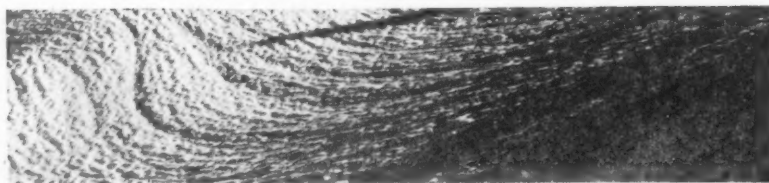
The lack of any important number of valid complaints would seem, the minority report states, to constitute "abundant evidence of the general satisfaction with the way the law is administered."

H. S. Gans, former assistant district attorney of New York City, as a member of the committee to review medical and hospital problems in connection with workmen's compensation, has filed with Governor Roosevelt a memorandum strongly dissenting from portions of the majority report.



Universal Automobile Insurance Company Trinity Fire Insurance Company

Edward T. Harrison, President
Dallas, Texas



ACCIDENT AND HEALTH FIELD

Wisconsin National's Plan

Substitutes Noncancellable Income Policy for Monthly Payment Disability Clause in Life Contracts

The Wisconsin National has substituted a non-cancellable income policy for its income disability clause. It sells for approximately the same premium as the regular disability clauses of life companies but pays for loss of time by accident or illness both total and partial. The company states that in its belief this feature is properly a casualty line and should be handled by the casualty department. This allows a more careful selection from the accident and health standpoint with the aid of a life insurance examination. The policy pays \$10 per \$1,000 monthly eliminating the first three months. The insured may also purchase a \$15 monthly income with \$1,000 life insurance. The income continues during disability until the aggregate sum has been reached. This aggregate sum is on the basis of \$1,000 per \$10 monthly indemnity. Waiver of premium on this supplement begins after six months and is not included in the aggregate indemnity.

Age Prem.	Age Prem.	Age Prem.
15.....\$2.25	30.....\$3.06	45.....\$4.36
20.....2.52	35.....3.41	50.....5.06
25.....2.77	40.....3.85	55.....5.91

Los Angeles Club Elects; Honors Past Presidents

LOS ANGELES, March 16.—All past presidents of the Accident & Health Managers Club of Los Angeles will be the guests of honor at the dinner-meeting March 22 for the inauguration of new officers. All are still actively engaged in the business. The program includes three-minute talks from each of the following past presidents: W. L. Thomas, Pacific Mutual Life; A. G. Mc-

Kinnon, Unity Mutual Life; G. L. Dickenson, Connecticut General; H. L. Burford, Continental Casualty; E. I. Lawrence, Federal Casualty; J. V. B. Stearns; H. F. Thompson, National Casualty; P. H. Ackerman, R. A. Rowan & Co., and M. P. Hawkins, Manhattan Life. Other topics for discussion will include the new standard forms, the proposed sales congress and the membership campaign.

At the annual meeting the club elected W. E. Lebbey, Behrendt-Levy-Rosen Co., first vice-president of the National Association of Accident & Health Managers, as president, and I. C. Cunningham, Occidental Life, as vice-president. The secretary-treasurer will be named by the directors: C. M. McKee, Rule & Sons; N. R. Copeland, Associated Indemnity; the president, vice-president and past president.

C. J. Lyon Is Now President

C. J. Lyon has been appointed president of the Travelers Health Association of Omaha to succeed the late H. S. Weller, who died recently. Mr. Weller had been president from the founding of the association in 1904 until his death. He held membership No. 1 in the association. Mr. Lyon has been treasurer and active manager of the association for nearly 25 years. He holds membership No. 3.

G. C. Caywood, sales manager of the Omaha Steel Works, has been appointed to fill the vacancy on the board caused by the death of Mr. Weller.

Abraham Lincoln Convention

The 1932 Rail Splitter Club convention of the Abraham Lincoln Life will be held at the home office in Springfield, Ill., Aug. 4-6. The convention attendants will visit Abraham Lincoln's home and the Lincoln monument in Springfield and will make a trip to New Salem, where Lincoln lived during his earlier years in Illinois.

CASUALTY ASSOCIATION NEWS

Membership Limit Proposed

May Restrict New Jersey Association to Agency Stock Company Men—Joint Meeting Planned

NEWARK, March 16.—At the monthly meeting of the Casualty Underwriters Association of New Jersey there was a lengthy discussion on adding an amendment to the constitution "to limit membership to the association to stock companies operating on the agency basis." A legislative committee was also appointed to look after bills which might be introduced in the New Jersey legislature that would affect the casualty business in general.

Plan Joint Meeting

President W. A. Schaefer announced plans for a joint meeting with the New Jersey Claim Men's Association to discuss the fraud situation in the state. Another subject to be discussed is insuring the individual automobile operator instead of the automobile. Maxwell Halsey, traffic engineer of the conservation division of the National Bureau of Casualty & Surety Underwriters, explained the work the bureau is doing in educating children and its inspection campaign.

Casualty Adjusters Meet

The first movies ever used in an accident case before an appellate court were shown by Ralph F. Potter, formerly

claims attorney for the Ocean Accident, now of Cassel, Potter & Bentley, Chicago law firm, at the March meeting of the Casualty Adjusters Association of Chicago. Mr. Potter gave some tips on preparing cases, emphasizing that the movie showing claimant performing physical motions when he insists in court he is unable to do so is highly effective.

The case in question was over personal injury and resulted in \$50,000 judgment. The movies were exhibited by Mr. Potter on motion for a new trial and on appeal in the New York supreme court. The case was won on this showing.

Baltimore Casualty Lectures

BALTIMORE, March 16.—W. B. Hill, superintendent accident and health department United States Fidelity & Guaranty, is giving a lecture course on accident and health insurance before the casualty branch of the Insurance Society of Baltimore. E. F. Krueger, assistant secretary Fidelity & Deposit, has just completed a course of lectures on burglary insurance. The enrollment in the class this year is 49, the largest in the history of the society.

South Bend Adjusters Organize

Henry Humrichouser, R. J. Iekel and Lyman Harshman, South Bend, Ind., are members of a committee to effect a permanent organization to be known as the South Bend Claim Adjusters Association.

THERE IS PROFIT - - -

in a policy that's easily sold and easily renewed. Competitive rates and sound protection makes an Illinois Casualty contract valuable in ANY agency. Open territory is at times available for an A-1 agent.

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PAUL W. PICKERING
Secretary

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PROP. DAMAGE	TEAMS	PLATE GLASS	WORKMEN'S
COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

General Accident



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A-1946 Insurance Exchange

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Common-sense is an asset—

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OUR common-sense policy regarding claims and adjustments has proved exceedingly popular both with our agents and policyholders. It is one reason why Belt Casualty automobile policies stay sold. We have always had the reputation of making assureds satisfied by paying just claims promptly and liberally.

Our agents receive careful training and instructions in presenting our policy features in such a way that prospects and policyholders understand all terms of the policy. Our adjusters are trained to recognize the good-will element in all transactions. The result is a loyal group of satisfied policyholders.

If things are not "breaking" for you, investigate the liberal Belt Casualty agency contract.

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CASUALTY COMPANY WANTED

Agency located in Insurance Exchange, Chicago, is desirous of making connection to represent a casualty company. Answer W-19, The National Underwriter.

Underwriter Wanted

With thorough knowledge Burglary and Glass lines and Chicago conditions. Some knowledge Accident & Health desirable but not essential. Branch office large company. Address W-18, The National Underwriter.

AUTOMOBILE INSURANCE—REDUCED RATES

Strong stock company established ten years desires representation in the following Illinois cities: Aurora; Danville; DeKalb; Elgin; Freeport; Jacksonville; Joliet; Kankakee; Kewanee; LaSalle; Lincoln; Mattoon; Ottawa; Pekin; Quincy; Rockford; Springfield; Sterling; Streator; Paris; Marshall. Address W-17, The National Underwriter.

NEWS OF THE COMPANIES

Workmen's Mutual Attacked

Claim Life Membership Stunt Violates Law—Petition Supreme Court to Dissolve Carrier

MADISON, WIS., March 16.—Papers have been served on the Workmen's Mutual of Milwaukee, H. L. Ekern, its attorney; John W. Reynolds, Wisconsin attorney-general, and Commissioner Mortensen asking leave to begin an action in a Wisconsin court for annulment of the Workmen's Mutual's charter.

The petition has been filed with the state supreme court and arguments will be heard April 5. The petitioners are all mutuals, including the Employers Mutual Indemnity, Farmers Mutual Auto, Wisconsin Auto, Hardware Mutual Casualty, and the Milwaukee Auto. Senator T. M. Duncan, Milwaukee, secretary to Governor Philip La Follette, is president of the Milwaukee Mutual. Mr. Ekern and Olaf Johnson, former Wisconsin commissioner, and Joseph A. Padway are also connected with the Workmen's Mutual.

The Workmen's Mutual sells life memberships in connection with its casualty policies, and the complaining companies claim this is in violation of the insurance laws. The Workmen's Mutual covers hazards growing out of automobile ownership, including fire, theft, liability, property damage and collision.

The company writes on a plan which provides for an initial payment of \$15 for a life membership in the company. Premiums for the protection are charged in addition to the life membership fees.

The petition alleges numerous objections to the plan of issuing life memberships in connection with the sale of insurance. It is claimed that through the charge of a life membership fee the amount of the so-called semi-annual premiums is reduced to a sum considerably less than they could be if the life membership fee were not collected. It is further alleged that the company sets up no reserve against the \$15 life membership fee and that in case of a policy cancellation the member receives no refund from payment of the life membership. The petitioners also declare the payment violates the clauses of the mutual insurance law, which provide that the liability of members of mutuals is limited to one annual premium and that membership in the companies terminates on the cancellation of the hazard. Memberships are represented as life memberships and such a form of insurance, they say, can be written only on life policies. It is also claimed that the Workmen's Mutual, although it has been operating in Wisconsin for several months, has never filed any statement with the state insurance department as to how its life membership fee is apportioned in its premium schedules and charges.

Terminate 11-Year Receivership

SIOUX CITY, IA., March 16.—Judge Wakefield of the district court here has made an order which promises

to practically terminate the 11-year-old receivership of the American Bonding & Casualty, which failed in January, 1921. General claimants, including those who seek return of unearned premiums, will be paid 100 percent. The order made by Judge Wakefield permits the receiver to disburse any remaining funds in his hands as interest on these claims. The stockholders will not receive anything. It is estimated that interest payments will amount to about 1 percent per year.

Hearing Moving Slowly

Hearings on the petition of the Illinois attorney-general for an injunction to prevent the American Mutual Indemnity of Chicago from continuing operations, for its dissolution and appointment of a receiver, are progressing very slowly. The first hearing before George Gorman, master-in-chancery, held Feb. 13, was stopped by technical objections, so the case was turned over to George S. Lavin, assistant attorney-general, and another hearing was held March 11. Technical objections again prevented admission of report of examination by the insurance department last September, which it is said indicates a deficiency of more than \$61,000. It was found necessary that all the books, records and work sheets used in making the report be produced in court in substantiation, and this will be done at the next hearing, scheduled for March 31.

No Power to Dissolve Company

NEWARK, March 16.—Vice-Chancellor Berry in a case involving the Washington Casualty holds that the court of chancery has no authority to appoint a receiver for an insurance company in New Jersey unless the insurance commissioner declines to assume jurisdiction when asked to do so by creditors or stockholders.

He stated that the legislature, in his opinion, gave neither the commissioner nor the court complete authority to dissolve any insurance company, and the only course to pursue would be for the court to appoint the commissioner the court's trustee.

Manufacturers Willing

RICHMOND, VA., March 16.—Application of companies writing workmen's compensation in Virginia for a rate increase averaging 18.8 percent was heard today by the state corporation commission, which took the matter under consideration. The proposal was filed to become effective April 15, and it is hoped that a decision will be given by that time, if not earlier. J. R. A. Hobson, chairman workmen's commission committee of the Virginia Manufacturers Association, told the commission that after an exhaustive study he was satisfied the companies were entitled to the increase.

Fort Dearborn's Statement

The Fort Dearborn of Chicago increased its surplus \$14,000 in 1931 and showed an underwriting profit of \$12,141, or approximately 2 percent on business written. It writes full cover automobile on preferred risks at independent rates, excess public liability being reinsured in the International Reinsurance.

Total admitted assets are \$759,499, loss reserve \$118,234, unearned premium reserve \$303,058, capital \$250,000 and surplus to policyholders \$324,320. The Fort Dearborn carried \$66,046 cash in bank; total investments were \$531,140, and premiums receivable less than 90 days old, \$162,312.

This company has been under the present management for about 12 years, John L. Walker being president and

H. P. Linn Surety Head of the Central Surety

KANSAS CITY, MO., March 16.—Following last week's announcement that H. P. Linn, Chicago branch manager of Southern Surety and Home Indemnity, had resigned, officers of the Central Surety of Kansas City, announce that Mr. Linn becomes manager of its bonding department effective today. He is now actively associated with the company.

No other change is contemplated in the Central Surety's bonding department. Harry D. Allen, assistant secretary, will continue his duties under that title and will continue to handle home office underwriting while Mr. Linn for the present will devote his time principally to work in the field appointing new agents and stimulating production.

L. E. Walker superintendent of agencies. It operates in Illinois, Indiana and Missouri and has about 1,500 agents, the majority having represented it five years or more.

Other casualty company reports are to be found on page 35.

PERSONALS

W. E. Barton of Indianapolis, well known general agent in casualty and bonding lines, has been notified of his election as a fellow of the Insurance Institute of America. Mr. Barton some time ago successfully passed the casualty and surety branch examinations of the institute and recently submitted a thesis on "Compulsory Automobile Insurance," thereby completing the requirements for a fellowship. Mr. Barton is a keen student of the business and is especially well posted on the various fidelity and surety bonds and other policy contracts and forms, particularly casualty.

Henry P. Reardon, Newark manager of the Standard Surety & Casualty, has been elected exalted ruler of the South Orange lodge of Elks. Mr. Reardon has been in the casualty field in New Jersey for a number of years.

Fred A. Price of Conkling, Price & Webb, Chicago, has returned to his office after spending several months at his winter home in California. Two weeks ago when he returned to Chicago he was stricken with pneumonia, from which he has now recovered.

E. R. Nuttle, vice-president in charge of the production department of the Fidelity & Deposit, has returned from a two weeks trip through the south and middle west, visiting Memphis, Little Rock, Kansas City, Chicago, Indianapolis and Columbus, O.

In noting the former insurance connections of R. B. Armstrong of the Los Angeles "Times" at Washington, D. C., recently elected vice-president of the White House Correspondents Association, mention of his presidency of the Casualty Company of America, to which post he was called following the retirement of Andrew Freedman, organizer of the institution, was omitted. Associated with Mr. Armstrong at the time was C. S. S. Miller, who served as secretary. Mr. Miller is now publicity manager for the North British & Mercantile group. It is further interesting to recall in the same connection that before the directors of the Casualty Company of America decided to offer its presidency to Mr. Armstrong the name of Woodrow Wilson, then head of Princeton University, was carefully reviewed. No tender, however, was made him.

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Save 10% on Your Calendar Advertising

IF YOU PLACE YOUR ORDER FOR NATIONAL UNDERWRITER FIRE AND Casualty Insurance Calendars before March 31, you can secure a 10 percent discount. All subscribers to The National Underwriter were mailed full particulars about the calendars last week. If you did not receive yours we will be glad to tell you how National Underwriter insurance calendars keep your name and business before your prospects and customers 365 days a year at a cost of approximately 1 cent a month.

OLD customers are the most valuable assets in the insurance business. You should do everything possible to keep them on the books.

The Harvard Bureau of Business Research recently found in a survey that the average American business man was getting about 30 percent of his customers' business and that his customer was also considered a customer by seven of his competitors.

Competition Is Strong

Competition is strong and it is absolutely necessary that you constantly remind your customers that you are the man to buy insurance from. Your old customers may declare up and down that they give you all their insurance business, but there is always a danger that if another agent makes an opportune call at a time when your customer needs some insurance, he may get the business because he is on the job.

It is impossible for you to keep in constant personal touch with all your old customers, so you must rely on advertising to help you do this. The most effective advertising for you to use is that which retains the good will of your customers and keeps your name before them 365 days of the year.

Actually Sell Insurance

The National Underwriter Insurance Calendars are the best form of advertising because they are attractively printed and your customers will appreciate receiving them next December. Every one needs calendars—in fact, they even seek them—so yours will be well received.

Not only do The National Underwriter Insurance Calendars create

good will but they actually sell insurance through the twelve striking sales pictures and captions on the different monthly sheets of the calendar.

The National Underwriter insurance calendar is especially designed for insurance men by advertising experts. It has many added advantages over the ordinary calendar because of its twelve monthly sheets.

Every month when the old sheet is torn off there is renewed interest because there is a new picture and a new sales caption. Ordinary calendars are liable to get covered with dust if they hang on the wall a whole year and your name looks rather dingy before the twelve months are up. Not so with The National Underwriter Insurance Calendar because whenever an old sheet is torn off, your name appears on the new sheet fresh and clean where all eyes can see it.

Cost Is Small

The National Underwriter Calendars cost you only 14 cents each in lots of 200 and even less in larger quantities. On top of this, if you order before March 31, we will allow you a 10 percent discount. If you wish the calendars sent to you all ready to mail, you can buy them inserted in pullstring wrappers for 95 cents a hundred extra. Attractive holiday greeting labels are sent free with all wrapped calendars.

The National Underwriter insurance calendars offer you a wonderful opportunity for advertising and you should take advantage of it today. Fill out the order blank which was sent you last week and mail it in right away to The National Underwriter, A1946 Insurance Exchange, Chicago.



This is the first of the twelve sheets of the new National Underwriter Fire and Casualty Insurance Calendar for 1933. The full size of the calendar is 9 by 16 inches, while the pictures measure 8 1/4 by 7 7/8 inches. Your name and advertisement appears at the top of every sheet in large, bold type, carrying your message to your customers 365 days a year. The calendar pad is essentially practical as the numerals can be seen across the room and the months before and after are shown.

"The Oldest American Fire and Marine Insurance Company"

Founded 1792



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CENTRAL FIRE INSURANCE COMPANY
INDEMNITY INS. CO. OF NORTH AMERICA
NATIONAL SECURITY FIRE INS. CO.
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China and Great Britain